EXHIBIT 1
Part 2 of 2

Los Nevados – Timeline

The deed for Los Nevados shows it was transferred from its owner Dr Ciro Alejandro Olaya Forero to PA Nevados on November 6, 2020, for $2.9m[16].

The financier of the transaction is listed as MPT Colombia TRL SL, a 100% subsidiary of MPW registered in Spain.

> 10. FINANCIADOR: es MPT Colombia TRS, S.L., una sociedad limitada española, identificada con el número de identificación fiscal B-88586995, inscrita en el registro mercantil de Madrid. ---

Figure 17 – Los Nevados Sales Deed and accompanying documents.

Nevados deed shows in annex 3 a US Tax Form 8832 which shows the PA Nevados trust's US taxpayer status. The address provided is that of Steward Health Care System's main address.

> Form **8832** (Rev. December 2013) Department of the Treasury Internal Revenue Service
> **Entity Classification Election**
> ► Information about Form 8832 and its instructions is at www.irs.gov/
> Type or Print
> Name of eligible entity making election: FIDEICOMISO P.A. NEVADOS
> Number, street, and room or suite no. If a P.O. box, see instructions.: 1900 N. Pearl Street, Suite 2400
> City or town, state, and ZIP code. If a foreign address, enter city, province or state, postal code and country. postal code.: Dallas, Texas 75201
> ► Check if: ☐ Address change ☐ Late classification relief sought under Revenue Proced
> ☐ Relief for a late change of entity classification election sought under Revenue
> **Part I** Election Information

Figure 18 – Los Nevados Sales Deed and accompanying documents

We note that Steward International is not domiciled in the US and believe that Steward's Colombian operations are under the same "Manolete" structure outlined in our previous report due to an indemnification clause in the purchase agreement.

> (viii) The environmental indemnification agreement to be entered into by the Grantor, Manolete Health LLC., Manolete Health Holdings LLC., Cordiant Healthcare Services S.L., Cordiant JV Investments, LLC., the Branch, Nevados, Centenario, Hospital Universitario Clínica San

Figure 19 – Sale agreement for National Clinics Colombia

[16] https://www.findeter.gov.co/index.php/system/files/convocatorias/PAF-SENA-C-017-2020/PAF-SENA-C-017-2020%40paf-sena-c-017-2020_informe-definitivo-de-verificacion-de-requisitos-habilitantes.pdf

Key takeaways

We now know the price paid for two of the Colombian hospital properties, with the third San Rafael being acquired from GSRVC for an undisclosed price. We believe the price paid was equivalent to the 2019 sale-leaseback liability of $34.15m.

We believe remainder went toward the purchase of the hospital operations for $39.45m. The value of MPW Colombian mortgages to its Manolete JV vastly exceeds the value of underlying secured assets and is substantially financed by the equity of Colombian hospital *operators.* Further, MPW wholesale financing of the venture only earned it a minority stake.

MPW Colombia Investment Analysis - Viceroy Research	**$m**
MPW Investment	100
Centenario	14.4
Los Nevados	2.9
San Rafael	*34.2*
Difference	48.5

Figure 20 – MPW Colombia Investment Analysis Viceroy Research

This is a clear failure of transparency and an eminently uncommercial transaction.

Attention: <u>Whistleblowers</u>

Viceroy encourage any parties with information pertaining to misconduct within Medical Properties Trust, its affiliates, or any other entity to file a report with the appropriate regulatory body.

We also understand first-hand the retaliation whistleblowers sometimes face for championing these issues. Where possible, Viceroy is happy act as intermediaries in providing information to regulators and reporting information in the public interest in order to protect the identities of whistleblowers.

You can contact the Viceroy team via email on viceroy@viceroyresearch.com.

About Viceroy

Viceroy Research are an investigative financial research group. As global markets become increasingly opaque and complex – and traditional gatekeepers and safeguards often compromised – investors and shareholders are at greater risk than ever of being misled or uninformed by public companies and their promoters and sponsors. Our mission is to sift fact from fiction and encourage greater management accountability through transparency in reporting and disclosure by public companies and overall improve the quality of global capital markets.

Important Disclaimer – Please read before continuing

This report has been prepared for educational purposes only and expresses our opinions. This report and any statements made in connection with it are the authors' opinions, which have been based upon publicly available facts, field research, information, and analysis through our due diligence process, and are not statements of fact. All expressions of opinion are subject to change without notice, and we do not undertake to update or supplement any reports or any of the information, analysis and opinion contained in them. We believe that the publication of our opinions about public companies that we research is in the public interest. We are entitled to our opinions and to the right to express such opinions in a public forum. You can access any information or evidence cited in this report or that we relied on to write this report from information in the public domain.

To the best of our ability and belief, all information contained herein is accurate and reliable, and has been obtained from public sources we believe to be accurate and reliable, and who are not insiders or connected persons of the stock covered herein or who may otherwise owe any fiduciary duty or duty of confidentiality to the issuer. We have a good-faith belief in everything we write; however, all such information is presented "as is," without warranty of any kind – whether express or implied.

In no event will we be liable for any direct or indirect trading losses caused by any information available on this report. Think critically about our opinions and do your own research and analysis before making any investment decisions. We are not registered as an investment advisor in any jurisdiction. By downloading, reading or otherwise using this report, you agree to do your own research and due diligence before making any investment decision with respect to securities discussed herein, and by doing so, you represent to us that you have sufficient investment sophistication to critically assess the information, analysis and opinions in this report. You should seek the advice of a security professional regarding your stock transactions.

This document or any information herein should not be interpreted as an offer, a solicitation of an offer, invitation, marketing of services or products, advertisement, inducement, or representation of any kind, nor as investment advice or a recommendation to buy or sell any investment products or to make any type of investment, or as an opinion on the merits or otherwise of any particular investment or investment strategy.

Any examples or interpretations of investments and investment strategies or trade ideas are intended for illustrative and educational purposes only and are not indicative of the historical or future performance or the chances of success of any particular investment and/or strategy. As of the publication date of this report, you should assume that the authors have a direct or indirect interest/position in all stocks (and/or options, swaps, and other derivative securities related to the stock) and bonds covered herein, and therefore stand to realize monetary gains in the event that the price of either declines.

The authors may continue transacting directly and/or indirectly in the securities of issuers covered on this report for an indefinite period and may be long, short, or neutral at any time hereafter regardless of their initial recommendation.

FEBRUARY 15, 2023 REPORT

MPW Case Study – Tenet Florida Hospitals

MPW overpaid for Florida Hospitals to the tune of ~$650m (2.4x fair value). Overpayment subsidized Steward investments in Florida

PLEASE READ IMPORTANT DISCLAIMER – PAGE 3

February 15, 2023 – MPW's purchase of 5 Florida Hospitals in 2021 was another Steward subsidy at MPW shareholder's expense.

In August 2021 MPW acquired 5 Florida Hospitals ("**the Florida Hospitals**") for $900m.

- Acquired five general acute care facilities in South Florida for approximately $900 million that are leased to Steward; and
- Acquired four acute care facilities and two on-campus medical office buildings in California for $215 million, leased to Pipeline Health Systems.

Figure 1 – MPW Q2 2021 10-Q

MPW drew $650m from an credit facility to complete the transaction.

July 2021 Interim Credit Facility

On July 27, 2021, we entered into a $1 billion interim credit facility with Barclays Bank PLC as administrative agent ("July 2021 Interim Credit Facility"), and several lenders from time-to-time are parties thereto. This facility matures on July 28, 2022 and bears interest at a variable rate. We used this facility to partially fund the acquisition of five South Florida facilities in August 2021 and the Springstone investments in October 2021. At December 31, 2021, the outstanding balance under this facility was $869.6 million at a rate of 1.610%.

Figure 2 – MPW Annual Report 2021

The acquisition of the Florida Hospitals forms part of **Steward's greater $1.1b acquisition of Tenet Healthcare's Southeast Florida hospitals and operations**. We can see from Tenet's 2021 annual report that this sum includes the $900m MPW section of the purchase meaning Steward only had to put forward ~$200m.

Under the terms of the agreement, Steward will purchase five hospitals and their associated physician practices from Tenet for approximately $1.1 billion. The hospitals included in the sale are Coral Gables Hospital, Florida Medical Center, Hialeah Hospital, North Shore Medical Center and Palmetto General Hospital. The agreement also provides that Tenet's Conifer Health Solutions subsidiary will continue to provide revenue cycle management services to the five hospitals following completion of the transaction. Tenet's ambulatory facilities operated by United Surgical Partners International (USPI) in these markets will remain with Tenet and are not included in the transaction.

Figure 3 – Steward Health Care to Acquire Five Hospitals in the Miami Area[1]

What *were* the Florida Hospitals Worth?

The Florida Hospitals were held-for-sale in Tenet's 2021 financial accounts, **valued at only $371m**.

NOTE 4. ASSETS AND LIABILITIES HELD FOR SALE

In June 2021, certain of our subsidiaries entered into a definitive agreement to sell five of our Miami-area hospitals and certain related operations. As a result, the assets and liabilities associated with these facilities were classified as held for sale at June 30, 2021 in the accompanying Condensed Consolidated Balance Sheets. We expect to complete the sale of these facilities in the third quarter of 2021.

Assets and liabilities classified as held for sale at June 30, 2021 were comprised of the following:

Accounts receivable	$	150
Other current assets		40
Investments and other long-term assets		41
Property and equipment		371
Other intangible assets		35
Goodwill		191
Current liabilities		(98)
Long-term liabilities		(47)
Net assets held for sale	$	683

Figure 4 – Tenet Healthcare Q2 2021 10-Q

To our knowledge: MPW did not identify what specific hospitals they purchased in Florida, only the counterparty[2].

[1] https://investor.tenethealth.com/press-releases/press-release-details/2021/Steward-Health-Care-to-Acquire-Five-Hospitals-in-the-Miami-DadeSouthern-Broward-Area-From-Tenet-Healthcare/default.aspx#:~:text=Under%20the%20terms%20of%20the,Center%20and%20Palmetto%20General%20Hospital.

[2] https://www.businesswire.com/news/home/20210623005922/en/Medical-Properties-Trust-Agrees-to-Acquire-Five-General-Acute-Hospitals-in-South-Florida

What are the Florida Hospitals worth today?

A search of county appraisal district databases identifies MPW's $900m purchase of the Florida Hospitals.

The 2022 appraised values for the same hospitals are ~70% below MPW's outlay[3]. Note that the assessed values are stated to represent "**…market value minus any assessment reductions…**".

MPW Florida Hospitals Purchase Analysis - Viceroy Research

MPW Subsidiary	Hospital	Folio Number	Sale Price	Sale Date	2022 Appraisal Value	Beds	Cost per bed
MPT of Coral Gables	Coral Gables	03-4117-005-7550	114,059,600	8/1/2021	4,860,636	245	465,549
		03-4117-005-9010			33,627,202		
MPT of Hialeah Exchange	Hialeah	04-3108-001-2700	1,264,800	7/31/2021	289,680	378	357,143
		04-3108-001-2880			336,600		
		04-3108-001-2710			285,150		
		04-3108-001-1380			395,850		
		04-3108-001-1790	133,735,300	7/31/2021	35,547,807		
MPT of Hialeah Palmetto	Palmetto	04-2027-001-0610	315,000,000	7/31/2021	23,809,775	360	875,000
		04-2027-001-0660			8,735,824		
		04-2027-097-0030			6,002,810		
		04-2027-001-0611			19,100,000		
		04-2027-021-0010			1,950,251		
		04-2027-001-0622			14,097,769		
		04-2027-001-0620			13,013,551		
MPT of Miami	North Shore	30-3102-031-0010	162,000,000	7/31/2021	24,308,799	357	453,782
MPT of Lauderdale Lakes	Florida Medical Center	494125000051	171,000,000	7/22/2021	5,810,520	459	372,549
		494125000052			120		
		494125000055			1,074,030		
		494125410010			3,148,070		
		494125000080			66,202,150		
		494125000092			1,063,360		
		494125000056			1,111,630		
Total			**897,059,700**		**264,771,584**	**Avg**	**504,805**

Figure 5 – MPW Florida Hospitals Purchase Analysis – Viceroy Research

MPW's purchase of 5 Florida hospitals leased to Steward for $900m is nothing more than more acquisition financing for a subs. MPW is effectively subsidizing Steward's return on investment at the expense of its own shareholders.

This transaction is completely uncommercial.

MPW appears to have paid 2.4x fair value for Tenet's Florida Hospitals.

Investors should question MPW on the reasoning and due diligence carried out as part of this transaction.

Hospital Income

The Florida Hospitals generated annualized income of $68m as at Q2 2021. This appears to make the purchase a great investment for Steward at their $200m outlay. MPW, on the other hand, have paid $900m for $371m in assets.

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Significant planned divestitures classified as held for sale:				
Income from continuing operations, before income taxes				
Miami area	$ 16	$ 9	$ 29	$ 15
Total	**$ 16**	**$ 9**	**$ 29**	**$ 15**

Figure 6 – Tenet Healthcare Q2 2021 10-Q

[3] https://bcpa.net/RecMenu.asp and https://www.miamidade.gov/Apps/PA/propertysearch/#/

Attention: Whistleblowers

Viceroy encourage any parties with information pertaining to misconduct within Medical Properties Trust, its affiliates, or any other entity to file a report with the appropriate regulatory body.

We also understand first-hand the retaliation whistleblowers sometimes face for championing these issues. Where possible, Viceroy is happy act as intermediaries in providing information to regulators and reporting information in the public interest in order to protect the identities of whistleblowers.

You can contact the Viceroy team via email on viceroy@viceroyresearch.com.

About Viceroy

Viceroy Research are an investigative financial research group. As global markets become increasingly opaque and complex – and traditional gatekeepers and safeguards often compromised – investors and shareholders are at greater risk than ever of being misled or uninformed by public companies and their promoters and sponsors. Our mission is to sift fact from fiction and encourage greater management accountability through transparency in reporting and disclosure by public companies and overall improve the quality of global capital markets.

Important Disclaimer – Please read before continuing

This report has been prepared for educational purposes only and expresses our opinions. This report and any statements made in connection with it are the authors' opinions, which have been based upon publicly available facts, field research, information, and analysis through our due diligence process, and are not statements of fact. All expressions of opinion are subject to change without notice, and we do not undertake to update or supplement any reports or any of the information, analysis and opinion contained in them. We believe that the publication of our opinions about public companies that we research is in the public interest. We are entitled to our opinions and to the right to express such opinions in a public forum. You can access any information or evidence cited in this report or that we relied on to write this report from information in the public domain.

To the best of our ability and belief, all information contained herein is accurate and reliable, and has been obtained from public sources we believe to be accurate and reliable, and who are not insiders or connected persons of the stock covered herein or who may otherwise owe any fiduciary duty or duty of confidentiality to the issuer. We have a good-faith belief in everything we write; however, all such information is presented "as is," without warranty of any kind – whether express or implied.

In no event will we be liable for any direct or indirect trading losses caused by any information available on this report. Think critically about our opinions and do your own research and analysis before making any investment decisions. We are not registered as an investment advisor in any jurisdiction. By downloading, reading or otherwise using this report, you agree to do your own research and due diligence before making any investment decision with respect to securities discussed herein, and by doing so, you represent to us that you have sufficient investment sophistication to critically assess the information, analysis and opinions in this report. You should seek the advice of a security professional regarding your stock transactions.

This document or any information herein should not be interpreted as an offer, a solicitation of an offer, invitation, marketing of services or products, advertisement, inducement, or representation of any kind, nor as investment advice or a recommendation to buy or sell any investment products or to make any type of investment, or as an opinion on the merits or otherwise of any particular investment or investment strategy.

Any examples or interpretations of investments and investment strategies or trade ideas are intended for illustrative and educational purposes only and are not indicative of the historical or future performance or the chances of success of any particular investment and/or strategy. As of the publication date of this report, you should assume that the authors have a direct or indirect interest/position in all stocks (and/or options, swaps, and other derivative securities related to the stock) and bonds covered herein, and therefore stand to realize monetary gains in the event that the price of either declines.

The authors may continue transacting directly and/or indirectly in the securities of issuers covered on this report for an indefinite period and may be long, short, or neutral at any time hereafter regardless of their initial recommendation.

FEBRUARY 16, 2023 REPORT

MPW – Steward's having a fire, sale

Steward has sold operational assets purchased from IASIS at a cost effectively entirely borne by MPW. New tenant receives discounted rent.

PLEASE READ IMPORTANT DISCLAIMER – PAGE 5

February 16, 2023 – On February 15, 2023, Steward Health Care Systems ("**SHCS**") announced that it had entered into an agreement to sell its Utah operations to Commonspirit[1]. This is an objectively bad deal for MPW, who have taken a 20% haircut on their Utah rent.

The sale by Steward is equally nonsensical. Steward and MPW management have consistently told select investors and analysts in the course of the preceding weeks that SHCS had its best EBITDA year and was FCF positive. Why has it sold its best asset at fire sale prices?

The real kick in the teeth is for MPW investors, who effectively paid for SHCS's Utah assets and will see no money from its sale.

The Announcement & Rent Haircut

Light on details as usual: MPW's statement announcing its new tenant of Utah properties failed to explicitly disclose a rent haircut of $17m, which can be derived from the reported new lease base, gross asset value, and Steward's master lease agreement.

Viceroy estimate MPW are now generating ~94m rental income from this property, substantially less than its current ~$110m.

Cash lease base appears to have been cut to 7.8% from ~9%.

> healthcare providers, will become one of MPT's largest tenants. Cash rental payments during the 15-year initial lease term are to begin at roughly 7.8% of MPT's gross investment and increase by 3.0% annually. The overall cash flow profile of the lease is particularly attractive given the tenant's strong investment grade credit. The lessee will have the option to purchase the facilities at the higher of fair market value or MPT's gross investment at 5, 10 and 15 years.

Figure 1 – MPW Press Release – February 15, 2023

MPW's master lease agreement with Steward can be accessed here:

https://www.sec.gov/Archives/edgar/data/1287865/000119312517065943/d295656dex1033.htm

Commonspirit will pay substantially less rent on its Utah hospital tenancy than its predecessor, Steward.

[1] https://www.healthcaredive.com/news/hcas-purchase-5-utah-hospitals-put-on-pause-after-judges-order/625111/

Steward Exposure & Fire Sale

It's reported that MPW have told analysts that Steward's sale of Utah assets was commensurate with its prior deal with HCA, which fell through after the FTC challenged the transaction[2]. This was slated at $800-$850m.

We thank HedgeEye for publishing Commonspirit's unaudited quarterly financials showing a purchase price of **$685m**[3], which is in **fire sale territory at 15% - 20% discount to SHCS's failed HCA deal.**

> In February 2023, CommonSpirit entered into an asset purchase agreement to acquire a regional health system, including five hospitals, over 40 clinics, and other ambulatory services in Utah for a gross purchase price of $685 million, plus certain working capital adjustments. The acquired facilities will support the mission and strategy to better serve the health care needs of the communities in Utah. The acquired facilities will be managed by Centura Health. The transaction is subject to customary closing terms and conditions and is scheduled to close by the end of the fiscal year.

Figure 2 – CommonSpirit unaudited quarterly financials

This is even more bizarre as Steward and MPW have similarly advised analysts that it was FCF positive, and vastly beat earnings expectations.

Results improving substantially versus Q1 2022, as restrictions on elective surgeries in Massachusetts have expired and as staffing and other cost pressures have eased.

- **Volume metrics up** across all key categories
- **Higher-quality volume** improving profitability
- **EBITDAR increased** in majority of regions
- **Contract labor expense decreased 21%**, with labor costs now < 50% of revenue
- **May and June significantly outperformed** original expectations
- **Q2 2022 +11% versus pre-COVID Q2 2019** (excluding South Florida)

LIQUIDITY UPDATE[1]

Recent improvements to hospital operations noted above are expected to continue through the remainder of the year and to coincide with positive developments related to Steward's liquidity position:

- **$350 million annual labor and non-labor cost savings initiative** is fully-implemented as of August
- **$70 million** in Medicaid reimbursement previously delayed due to dispute between Texas and CMS is now being collected
- **$70 million** collection in Q3 2022 of accounts receivable related to Tenet transition in Florida
- **$125 million** in cash expected from CareMax transaction, expected to close in Q4 2022
- **$45-50 million current *monthly* pace of Medicare advance and Tenet management contract repayments ends in September**

Steward expects a substantial and sustainable positive free cash flow run-rate beginning in Q4 2022

> And before turning the call over to Steve, let me outline the strong operating performance that Steward is reporting to us. Unadjusted EBITDA for the second quarter was approximately $51 million. The third quarter is expected to be more than $30 million. Fiscal year '22 unadjusted EBITDA is projected to be between $50 million and $80 million. Contract labor in Q3 fiscal year '22 has decreased 30% from Q1 FY '22 run rate and is expected to decline an incremental 20% in Q4, resulting in a 50% decline since the first quarter of this year. Steward is also forecasting unadjusted EBITDA of more than $350 million for fiscal year '23. Steve?

Figures 3 & 4 – MPT August 2022 Investor Update and Q3 2022 earnings call

Obviously, MPW provide none of Steward's financial statements to validate these Blue-Sky statements, however it is perplexing that Steward would sell its best assets for fire sale prices if it didn't have to.

Further, we note that the sale decreases MPW's tenant exposure to SHCS. We anticipate this will justify MPW's withholding of Steward's financial data once more.

---

[2] https://www.beckershospitalreview.com/hospital-transactions-and-valuation/hca-steward-make-for-2nd-called-off-hospital-deal-within-days-of-ftc-challenge.html

[3] https://app.hedgeye.com/mu/12-31-2022-unaudited-quarterly-report-final-secured?encoded_data=fqBZ!bpqJxAnjZji+CUtj6FY08FaMIEk=,

The Utah Background

In 2017, MPW loaned Steward $1.4b to purchase a Salt Lake City Hospital operator IASIS and their portfolio of 19 hospitals. It also made a further $100m minority interest equity contribution in the transaction. IASIS owned and operated 17 hospitals.

Steward Transactions

On September 29, 2017, we acquired, from IASIS Healthcare LLC ("IASIS"), a portfolio of ten acute care hospitals and one behavioral health facility, along with ancillary land and buildings that are located in Arizona, Utah, Texas, and Arkansas. The portfolio is now operated by Steward which separately completed its acquisition of the operations of IASIS on September 29, 2017. Our investment in the portfolio includes the acquisition of eight acute care hospitals and one behavioral health facility for approximately $700 million, the making of $700 million in mortgage loans on two acute care hospitals, and a $100 million minority equity contribution in Steward, for a combined investment of approximately $1.5 billion.

Figure 5 – MPW 2017 Annual Report

A $700m portion of this loan was immediately extinguished in exchange for 9 properties.

The remaining $700m was a mortgage loan against 2 unnamed properties: Jordan Valley Medical Center and Davis Hospital & Medical Center.

On July 8, 2020, we acquired the fee simple real estate of two general acute care hospitals located in the Salt Lake City, Utah area, Davis Hospital & Medical Center and Jordan Valley Medical Center, in exchange for the reduction of the mortgage loans made to Steward for such properties and additional cash consideration of $200 million based on their relative fair value. The approximate $950 million investment in these two facilities is now subject to the Steward master lease that has an initial fixed term ending in October 2031 with multiple extension options and annual escalation provisions.

Real Estate Loan Agreement and Sale of Property

At December 31, 2019, the System held mortgage agreements with MPT related to the real property of two acute care hospital campuses. On July 2, 2020, the System sold the real property of the two acute care hospital campuses to a joint venture, of which MPT is the majority owner. The System subsequently leased the property from the joint venture. Due to specified forms of continuing involvement, under the provisions of Accounting Standards Codification Topic 840-40, Leases – Sale-Leaseback Transactions, the System is required to continue to capitalize the real estate and to recognize an obligation for the sales proceeds received. The System recognized an initial obligation of $937.2 million, which included the former mortgage obligations of $737.2 million as well as $200.0 million in sale proceeds. The obligation will be amortized

Figures 6 & 7 – MPW 2020 Annual Report and Steward Health Care 2019 Annual Report

On July 8, 2020, MPW acquired the Jordan Valley Medical Center and Davis Hospital & Medical Center in exchange for a total extinguishment of the loan and an additional $200m cash payment it labelled a fair value increase.

Jordan Valley Medical Centre and Davis Hospital & Medical Centre were certainly not the largest hospitals in this portfolio. Their combined appraised value is $111m in 2017

Hospital	Location	Licensed # of Beds
Davis Hospital and Medical Center	Layton, UT	220
Jordan Valley Medical Center	West Jordan, UT	172
Jordan Valley Medical Center—West	West Valley, UT	102
Mountain Point Medical Center	Lehi, UT	40
Salt Lake Regional Medical Center	Salt Lake City, UT	158
Mountain Vista Medical Center	Mesa, AZ	178
St. Luke's Medical Center	Phoenix, AZ	200
St. Luke's Behavioral Health Center	Phoenix, AZ	124
Tempe St. Luke's Hospital	Phoenix, AZ	87
Odessa Regional Medical Center	Odessa, TX	225
Southwest General Hospital	San Antonio, TX	327
St. Joseph Medical Center	Houston, TX	790
The Medical Center of Southeast Texas	Port Arthur, TX	199
The Medical Center of Southeast Texas—Victory	Beaumont, TX	17
Wadley Regional Medical Center	Texarkana, TX	370
Glenwood Regional Medical Center	West Monroe, LA	278
Wadley Regional Medical Center	Hope, AR	79
Pikes Peak Regional Hospital	Woodland Park, CO	15
		3,581

Figure 8 – Steward Health Care Annual Report 2018

Davis and Jordan Valley 2017 Value - Viceroy Research

Hospital	Owner	Parcel ID	Address	2017 Appraised value
Davis Hospital and Medical Center	MPT of Layton-Steward Property LLC	90230086	1600 W Antelope Dr, Layton, UT 84041	$ 34,979,886
		90230013		$ 365,900
		90230012		$ 8,895,000
Jordan Valley Medical Center	MPT of West Jordan-Steward Property LLC	27-05-251-024-2000	3580 W 9000 S	$ 10,744,200
		27-05-251-024-2001	3580 W 9000 S	$ 40,491,400
		27-05-251-024-2002	3580 W 9000 S	$ 6,049,700
		27-05-251-026-0000	3590 W 9000 S	$ 2,965,000
		27-05-251-025-0000	3592 W 9000 S	$ 5,681,600
		27-05-251-006-0000	3434 W 9000 S	$ 616,900
		27-05-251-005-0000	3434 W 9000 S	$ 1,113,700
Total				**$ 111,903,286**

Figure 9 – Davis and Jordan Valley 2017 Value – Viceroy Research

The first $700m loan was exchanged for 9 properties, and the second $700m loan was secured against a further 2, but Iasis owned and operated 18 facilities in total at the time of acqusition. Steward basically received 7 of them for free.

Steward Transactions

On September 29, 2017, we acquired, from IASIS Healthcare LLC ("IASIS"), a portfolio of ten acute care hospitals and one behavioral health facility, along with ancillary land and buildings that are located in Arizona, Utah, Texas, and Arkansas. The portfolio is now operated by Steward which separately completed its acquisition of the operations of IASIS on September 29, 2017. Our investment in the portfolio includes the acquisition of eight acute care hospitals and one behavioral health facility for approximately $700 million, the making of $700 million in mortgage loans on two acute care hospitals, and a $100 million minority equity contribution in Steward, for a combined investment of approximately $1.5 billion.

At the time of the completion of the IASIS Merger, IASIS owned and operated seventeen hospitals, one behavioral health hospital, and several affiliated outpatient service facilities and physician clinics. The hospitals acquired include:

Figures 10 & 11 – MPW Annual Report 2017 & Steward Annual Report 2017

On a back-envelope, per-beds basis, we estimate that the purchase price of Jordan Valley Medical Centre and Davis Hospital & Medical Centre was ~$196m[4]. Given Steward is running its hospitals business to the ground, we do not believe any fair value adjustment is warranted. We believe MPW must take a $700m write off on this transaction alone representing the $950 mortgage and payment less a conservative $250m for the value of Jordan Valley and Davis.

The pattern in the Masschusetts portfolio of increasing loans continued with the Salt Lake City portfolio with Steward adding a further $27m in Q4 2018.

2016 Mortgages. The 2017 Mortgages were secured by the real property associated with hospital campuses located in Utah acquired as part of the IASIS Merger. On November 30, 2018, Steward entered into amendments to the 2017 Mortgages increasing the principal amount of these mortgages by $27 million. The 2017 Mortgages bear the same interest rate as the 2016 Mortgages of 7.5% for 2018. All payment terms and the maturity date of October 31, 2031 are identical to the 2016 Mortgages as a result of the Mortgage Joinder.

Figure 12 – Steward 2018 Annual Report

The FTC has blocked Steward's sale of operations in Utah to HCA Healthcare on the grounds of maintaining competition in the area[5].

Steward has sold assets purchased from IASIS at a cost effectively entirely bourne by MPW.

It has now sold those assets. Investors have a right to be pissed off.

[4] Iasis PPE balance of $1.79b, portfolio beds of 3,581

[5] https://www.ftc.gov/news-events/news/press-releases/2022/06/ftc-sues-block-merger-between-utah-healthcare-rivals-hca-healthcare-steward-health-care-system

Attention: <u>Whistleblowers</u>

Viceroy encourage any parties with information pertaining to misconduct within Medical Properties Trust, its affiliates, or any other entity to file a report with the appropriate regulatory body.

We also understand first-hand the retaliation whistleblowers sometimes face for championing these issues. Where possible, Viceroy is happy act as intermediaries in providing information to regulators and reporting information in the public interest in order to protect the identities of whistleblowers.

You can contact the Viceroy team via email on viceroy@viceroyresearch.com.

About Viceroy

Viceroy Research are an investigative financial research group. As global markets become increasingly opaque and complex – and traditional gatekeepers and safeguards often compromised – investors and shareholders are at greater risk than ever of being misled or uninformed by public companies and their promoters and sponsors. Our mission is to sift fact from fiction and encourage greater management accountability through transparency in reporting and disclosure by public companies and overall improve the quality of global capital markets.

Important Disclaimer – Please read before continuing

This report has been prepared for educational purposes only and expresses our opinions. This report and any statements made in connection with it are the authors' opinions, which have been based upon publicly available facts, field research, information, and analysis through our due diligence process, and are not statements of fact. All expressions of opinion are subject to change without notice, and we do not undertake to update or supplement any reports or any of the information, analysis and opinion contained in them. We believe that the publication of our opinions about public companies that we research is in the public interest. We are entitled to our opinions and to the right to express such opinions in a public forum. You can access any information or evidence cited in this report or that we relied on to write this report from information in the public domain.

To the best of our ability and belief, all information contained herein is accurate and reliable, and has been obtained from public sources we believe to be accurate and reliable, and who are not insiders or connected persons of the stock covered herein or who may otherwise owe any fiduciary duty or duty of confidentiality to the issuer. We have a good-faith belief in everything we write; however, all such information is presented "as is," without warranty of any kind – whether express or implied.

In no event will we be liable for any direct or indirect trading losses caused by any information available on this report. Think critically about our opinions and do your own research and analysis before making any investment decisions. We are not registered as an investment advisor in any jurisdiction. By downloading, reading or otherwise using this report, you agree to do your own research and due diligence before making any investment decision with respect to securities discussed herein, and by doing so, you represent to us that you have sufficient investment sophistication to critically assess the information, analysis and opinions in this report. You should seek the advice of a security professional regarding your stock transactions.

This document or any information herein should not be interpreted as an offer, a solicitation of an offer, invitation, marketing of services or products, advertisement, inducement, or representation of any kind, nor as investment advice or a recommendation to buy or sell any investment products or to make any type of investment, or as an opinion on the merits or otherwise of any particular investment or investment strategy.

Any examples or interpretations of investments and investment strategies or trade ideas are intended for illustrative and educational purposes only and are not indicative of the historical or future performance or the chances of success of any particular investment and/or strategy. As of the publication date of this report, you should assume that the authors have a direct or indirect interest/position in all stocks (and/or options, swaps, and other derivative securities related to the stock) and bonds covered herein, and therefore stand to realize monetary gains in the event that the price of either declines.

The authors may continue transacting directly and/or indirectly in the securities of issuers covered on this report for an indefinite period and may be long, short, or neutral at any time hereafter regardless of their initial recommendation.

FEBRUARY 17, 2023 REPORT

MPW **Case Study** – Steward International Pt. 3

Steward International will die on this hill.

PLEASE READ IMPORTANT DISCLAIMER – PAGE 3

February 17, 2023 – On February 14, 2023, Steward Healthcare International ("SHCI") threatened legal action against independent Maltese journalists and Viceroy Research in a "right of reply" essay submitted to MaltaToday. This was in response to Viceroy Research's previous work exposing SHCI's ownership structure, MPW's exposure to corruption in Malta, and direct contradictions to obviously fabricated historical statements SHCI provided to MaltaToday:

Viceroy Research investigations:

https://viceroyresearch.org/medical-properties-trust-research/

MaltaToday articles:

https://www.maltatoday.com.mt/news/national/121239/opaque_steward_ownership_distances_americans_from_malta_fallout#.Y-9Dl3bMKUk

Steward right-of-reply:

https://www.maltatoday.com.mt/comment/letters/121297/right_of_reply_from_steward_health_care_international_on_ownership_structure_report#.Y-8rc3bMKUk

This is the most blatantly false denial we have ever had to address. This statement is an insult to shareholders' intelligence and a waste of time. Nonetheless below is our full analysis of their reply and a 5-step guide showing Steward Health Care International is related to Steward Health Care, Ralph de la Torre and MPW.

Li(n)e-by-Li(n)e response to Steward's statement

SHCI appears to acknowledge "merits" of investigations by Viceroy and/or MaltaToday, however it addresses no merits from either investigations that we can determine. Its statement is a blanket denial:

> With reference to the article published on the front page, and pages 8 and 9 of MaltaToday on Sunday 12 February 2023 and on MaltaToday.com.mt on 13 February 2023 titled 'Opaque Steward ownership distances Americans from Malta fall-out', Steward Health Care International (SHCI) and Steward Health Care Malta (SHCM) want to clarify the merits of the facts and arguments made in the article in question, through this reply.

Figure 1 - Right of reply: Steward Health Care International ownership report

SHCI accuses all parties investigating the events under which it became the owner of the Malta hospital concession as co-conspirators to a smear campaign and claims that it has written to the Government of Malta to report perceived misconduct.

> Steward Health Care International (SHCI), alongside its subsidiary Steward Health Care Malta (SHCM), has today written to the Government of Malta seeking an investigation into Matthew Vella, Malta Today and their investigative partner, short-seller Viceroy Research LLC, for persistent and malicious inaccurate reporting about the company.

Figure 2 – Right of reply: Steward Health Care International ownership report

However Maltese prime minister Robert Abella denies ever having received communications from SHCI.

> The government has not receive any letters from Steward Healthcare urging it to investigate a journalist, prime minister Robert Abela said in a letter sent to MediaToday director Saviour Balzan on Wednesday.

Figure 3 – Government says it received no letter from Steward Healthcare – Newsbook

Justice minister Jonathan Attard has rebuffed SHCI's call to investigate journalists calling it a "non-starter" and on February 15, 2023 had not yet seen the letter either. We suggest in future SHCI send its attempts to stifle journalistic expression by registered mail[1].

> Justice minister Jonathan Attard has said that a purported call on the Maltese government to investigate MaltaToday editor Matthew Vella was a "non-starter".

Figure 4 – Minister says Steward request to investigate journalist is 'non-starter'- Malta Today

SCHI claims that Viceroy and journalists conspired with criminal intent in our reporting to drive down the stock of MPW.

> SHCI believes that the criminal intent of this smear campaign on SHCI is to manipulate and drive down the stock price of Medical Properties Trust (MPT) Inc, a NYSE-listed real estate investment trust, in a coordinated campaign akin to securities fraud.

Figure 5 – Right of reply: Steward Health Care International ownership report

SHCI claims that MPW, not SCHI, has been "smeared" purely by Viceroy's investigations which proved that SHCI was part-owned by MPW. This is repeatedly provable and verifiable against numerous international corporate filings.

SHCI, who consistently deny any sort or financial or otherwise relationship with MPW, leverages legal threats to Viceroy and independent journalists on behalf of MPW, of whom they consistently deny having any commercial relationship with.

A shot in the foot is SHCI perception that a relationship with MPW is somehow a "smear" on MPW's legitimacy and/or saintly corporate status.

> The veracity of these claims was easily verifiable. Indeed, when approached, SHCI plainly and forcefully denied the portrayal of the links between the companies. The depiction of the ties to MPT in the article is completely inaccurate — a fact already pointed out to the same journalist and publication over a year ago.
>
> The author nevertheless made no attempt to justify his position and instead persisted in the publication of these false claims, choosing instead to rely on biased, unfounded and untrue information previously published by Viceroy in a report to which the author had previously contributed. The claims in the article are plainly and malevolently intended to secure some benefit far the author, the outlet and Viceroy, as well as damage SHCI's standing in Malta and abroad.

Figure 6 – Right of reply: Steward Health Care International ownership report

[1] https://www.maltapost.com/registered-mail

SHCI consistently deny any relationship with MPW despite the fact that all corporate filings indicate that MPW is a 49% shareholder in SHCI. Further, SCHI's UBO shares an office with SHCS, being MPW's largest customer and its namesake.

SHCI distances itself from a very real and ongoing criminal investigation surrounding Vitals Global Healthcare's acquisition of the Malta hospital concessions, which it has since acquired. It further distances itself from an "international money laundering conspiracy" by which Steward International obtained this concession.

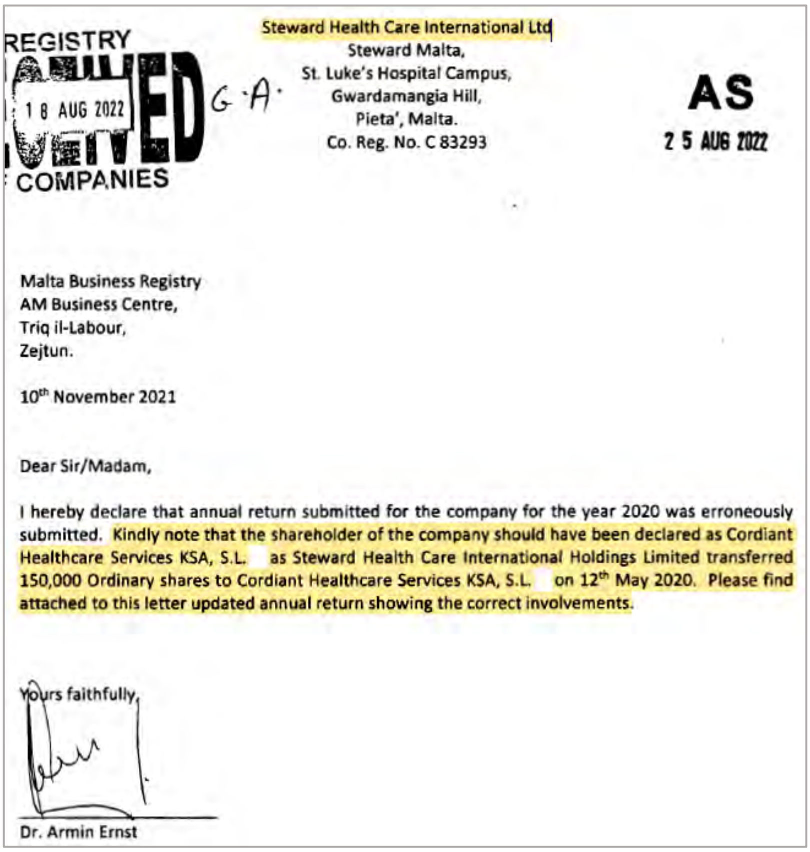
> The article also positions Steward Health Care Malta (SHCMI's operations in Malta — operations with a modest revenue that over its lifetime to date has produced cumulative losses of many millions of Euros and that are run to a tight and heavily scrutinised budget — as the hub for an international money laundering conspiracy. This is plainly ridiculous and is insulting to the professionals in Malta that manage the operation to a very high standard.
>
> Such false allegations undermine the public's confidence in Malta's health care system and intentionally interfere with the company's ability — both in Malta and internationally — to improve patient access to quality healthcare across the communities we serve.

Figure 7 – Right of reply: Steward Health Care International ownership report

A 5-step process to proving Steward International wrong.

For the sake of a complete rebuttal and any regulators who may be reading, below is a 5-step process to showing Steward Health Care International is related to Steward Health Care, Ralph de la Torre and MPW:

1. Steward Health Care International declared its shareholder to be Cordiant Healthcare Services KSA.



REGISTRY
RECEIVED
18 AUG 2022
COMPANIES

G·A·

Steward Health Care International Ltd
Steward Malta,
St. Luke's Hospital Campus,
Gwardamangia Hill,
Pieta', Malta.
Co. Reg. No. C 83293

AS
25 AUG 2022

Malta Business Registry
AM Business Centre,
Triq il-Labour,
Zejtun.

10th November 2021

Dear Sir/Madam,

I hereby declare that annual return submitted for the company for the year 2020 was erroneously submitted. Kindly note that the shareholder of the company should have been declared as Cordiant Healthcare Services KSA, S.L. as Steward Health Care International Holdings Limited transferred 150,000 Ordinary shares to Cordiant Healthcare Services KSA, S.L. on 12th May 2020. Please find attached to this letter updated annual return showing the correct involvements.

Yours faithfully,

Dr. Armin Ernst

Figure 8 – Steward Health Care International Ltd Annual Return Correction dated November 10, 2021

2. Cordiant Healthcare Services changed its name to Steward Health Care International SL and Steward Health Care System CEO Ralph de la Torre is listed as sole administrator during its creation.

DENOMINACION SOCIAL **CORDIANT HEALTHCARE SERVICES KSA SL**
NUMERO DE INSCRIPCION 3 FECHA DE INSCRIPCION 07/10/2020 FECHA DE PUBLICACION 15/10/2020
BOLETIN 200 NUMERO DE REFERENCIA 349295
ACTOS DETALLES Cambio de denominación social. STEWARD HEALTH CARE INTERNATIONAL SL.
CAMBIO DE DENOMINACION SOCIAL

DENOMINACION SOCIAL **CORDIANT HEALTHCARE SERVICES KSA SL**
NUMERO DE INSCRIPCION 1 FECHA DE INSCRIPCION 18/05/2020 FECHA DE PUBLICACION 25/05/2020
BOLETIN 98 NUMERO DE REFERENCIA 162922
ACTOS
CONSTITUCION
DECLARACION DE UNIPERSONALIDAD
NOMBRAMIENTO
DETALLES Constitución. Comienzo de operaciones: 16.04.2020. Objeto social: La adquisición, tenencia, administración y gestión de valores, títulos, y acciones o cualquier forma de representación de participaciones en los fondos propios de entidades residentes y no residentes en territorio español, mediante la correspondiente organización de medios materiales y personales. Domicilio: PASEO DE LA CASTELLANA 35 5º (MADRID). Capital: Suscrito: 3.000,00 Euros. Desembolsado: 3.000,00 Euros. Declaración de Unipersonalidad. Socio único: CORDIANT HEALTHCARE SERVICES SL. Nombramientos. Adm. Unico: DE LA TORRE RALPH.

Figures 9 & 10 – Steward Health Care International SL Registry

3. Steward Health Care International SL is owned by Steward Health Care International Investor LLC fka Manolete Management LLC domiciled at 4939 Brookview Drive, Dallas. The address will be important later. It also lists Steward Health Care System (the US entity) and Steward Malta Management as related parties.

A cierre del ejercicio 2020, la sociedad dominante directa de la Sociedad es STEWARD HEALTH CARE INTERNATIONAL INVESTOR LLC, (anteriormente Manolete Management LLC), domiciliada en 4939, Brookview Drive, Dallas, 75220 Texas.

"At the end of fiscal year 2020, the direct parent company of the Company is STEWARD HEALTH CARE INTERNATIONAL INVESTOR LLC, (formerly Manolete Management LLC), domiciled at 4939, Brookview Drive, Dallas, 75220 Texas."

Figure 11 – Steward Health Care International SL Annual Report 2020 and translation

	Euros
Acreedores comerciales y otras cuentas a pagar con empresas del grupo	**2020**
Steward Health Care System LLC	(4.989.539)
Steward Malta Management Ltd	(345.127)
	(5.334.666)

	Euros
Deudas con empresas del grupo y asociadas a largo plazo	**2020**
Manolete Health LLC	(1.000.000)
	(1.000.000)

Figure 12 – Steward Health Care International SL Annual Report 2020

4. The president of Manolete Health LLC is Ralph de la Torre, and it is administered jointly by Armin Ernst, MPT Development Services (a MPW subsidiary) and Manolete Heath Investors. Its mailing address is Steward Health Care headquarters.

■ Taxpayer number: 3 2 0 8 0 7 0 9 2 1 8
■ Report year: 2 0 2 2

You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.

Taxpayer name: Manolete Health LLC
■ ◯ Blacken circle if the mailing address has changed.

Mailing address: 1900 N Pearl Street Suite 2400
City: Dallas | State: TX | ZIP code plus 4: 75201
Secretary of State (SOS) file number or Comptroller file number: 0121461180

◯ Blacken circle if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office: 1900 N PEARL STREET SUITE 2400, DALLAS, TX, 75201
Principal place of business: 1900 N PEARL STREET SUITE 2400, DALLAS, TX, 75201

You must report officer, director, member, general partner and manager information as of the date you complete this report.

Please sign below! This report must be signed to satisfy franchise tax requirements.

1000000000015

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name	Title	Director	Term expiration (m m d d y y)	Mailing address	City	State	ZIP Code
MANOLETE HEALTH INVESTORS LLC		◯ YES		1900 N PEARL STREET SUITE 2400	DALLAS	TX	75201
MPT DEVELOPMENT SERVICES Inc		◯ YES		1000 URBAN CENTER DRIVE SUite 501	BIRMINGHAM	AL	35242
Armin Ernst		● YES		266 FISHER AVENUE	Brookline	MA	02445

SECTION B Enter information for each corporation, LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation, LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

Registered agent and registered office currently on file (*see instructions if you need to make changes*)
You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.

Agent:
Office: | City | State | ZIP Code

The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here: Ralph De La Torre | Title: President | Date: 11/11/2022 | Area code and phone number: (469) 341 - 8848

Figure 13 – Manolete Health LLC Texas Franchise Tax Public Information Report

5. Manolete Health Investors LLC's sole officer is Ralph de la Torre, who lists his address as 4939 Brookview Drive, Dallas, the same address as Manolete Management LLC, ultimate owner of Steward Health Care International SL[2]. The phone number belongs to Amy Marie Guay, Preisdent of Steward Medical Group[3].

■ Taxpayer number: 3 2 0 8 0 7 0 9 2 2 6
■ Report year: 2 0 2 2

You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.

Taxpayer name: Manolete Health Investors LLC
■ ◯ Blacken circle if the mailing address has changed.

Mailing address: 1900 N Pearl Street Suite 2400
City: Dallas | State: TX | ZIP code plus 4: 75201
Secretary of State (SOS) file number or Comptroller file number: 0121461280

◯ Blacken circle if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office
Principal place of business

You must report officer, director, member, general partner and manager information as of the date you complete this report.

1000000000015

Please sign below! This report must be signed to satisfy franchise tax requirements.

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name	Title	Director	Term expiration (m m d d y y)
Ralph De La Torre	Managing Mem	● YES	
Mailing address: 4939 Brookview Drive	City: Dallas	State: TX	ZIP Code: 75220
Name	Title	Director: ◯ YES	Term expiration
Mailing address	City	State	ZIP Code
Name	Title	Director: ◯ YES	Term expiration
Mailing address	City	State	ZIP Code

SECTION B Enter information for each corporation, LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership
Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation, LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

Registered agent and registered office currently on file (*see instructions if you need to make changes*)
Agent:
You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.
Office: | City | State | ZIP Code

The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here: Ralph De La Torre | Title: Managing Member | Date: 11/11/2022 | Area code and phone number: (469) 341 - 8848

Figure 14 – Manolete Health Investors LLC Texas Franchise Tax Public Information Report

---

We invite Steward International to continue their demonstrably false and misleading disclaimers of association with Steward Health Care System and MPW.

---

[2] This address is also used for de la Torre's side businesses like Mullet Yacht Sales LLC in Florida
[3] https://www.hipaaspace.com/medical_billing/coding/national_provider_identifier/codes/npi_1629398219.aspx

Attention: Whistleblowers

Viceroy encourage any parties with information pertaining to misconduct within Medical Properties Trust, its affiliates, or any other entity to file a report with the appropriate regulatory body.

We also understand first-hand the retaliation whistleblowers sometimes face for championing these issues. Where possible, Viceroy is happy act as intermediaries in providing information to regulators and reporting information in the public interest in order to protect the identities of whistleblowers.

You can contact the Viceroy team via email on viceroy@viceroyresearch.com.

About Viceroy

Viceroy Research are an investigative financial research group. As global markets become increasingly opaque and complex – and traditional gatekeepers and safeguards often compromised – investors and shareholders are at greater risk than ever of being misled or uninformed by public companies and their promoters and sponsors. Our mission is to sift fact from fiction and encourage greater management accountability through transparency in reporting and disclosure by public companies and overall improve the quality of global capital markets.

Important Disclaimer – Please read before continuing

This report has been prepared for educational purposes only and expresses our opinions. This report and any statements made in connection with it are the authors' opinions, which have been based upon publicly available facts, field research, information, and analysis through our due diligence process, and are not statements of fact. All expressions of opinion are subject to change without notice, and we do not undertake to update or supplement any reports or any of the information, analysis and opinion contained in them. We believe that the publication of our opinions about public companies that we research is in the public interest. We are entitled to our opinions and to the right to express such opinions in a public forum. You can access any information or evidence cited in this report or that we relied on to write this report from information in the public domain.

To the best of our ability and belief, all information contained herein is accurate and reliable, and has been obtained from public sources we believe to be accurate and reliable, and who are not insiders or connected persons of the stock covered herein or who may otherwise owe any fiduciary duty or duty of confidentiality to the issuer. We have a good-faith belief in everything we write; however, all such information is presented "as is," without warranty of any kind – whether express or implied.

In no event will we be liable for any direct or indirect trading losses caused by any information available on this report. Think critically about our opinions and do your own research and analysis before making any investment decisions. We are not registered as an investment advisor in any jurisdiction. By downloading, reading or otherwise using this report, you agree to do your own research and due diligence before making any investment decision with respect to securities discussed herein, and by doing so, you represent to us that you have sufficient investment sophistication to critically assess the information, analysis and opinions in this report. You should seek the advice of a security professional regarding your stock transactions.

This document or any information herein should not be interpreted as an offer, a solicitation of an offer, invitation, marketing of services or products, advertisement, inducement, or representation of any kind, nor as investment advice or a recommendation to buy or sell any investment products or to make any type of investment, or as an opinion on the merits or otherwise of any particular investment or investment strategy.

Any examples or interpretations of investments and investment strategies or trade ideas are intended for illustrative and educational purposes only and are not indicative of the historical or future performance or the chances of success of any particular investment and/or strategy. As of the publication date of this report, you should assume that the authors have a direct or indirect interest/position in all stocks (and/or options, swaps, and other derivative securities related to the stock) and bonds covered herein, and therefore stand to realize monetary gains in the event that the price of either declines.

The authors may continue transacting directly and/or indirectly in the securities of issuers covered on this report for an indefinite period and may be long, short, or neutral at any time hereafter regardless of their initial recommendation.

FEBRUARY 22, 2023 REPORT

MPW – Steward "extreme financial hardship"

Steward has received demand letters from CMS, claims it has applied for relief under "extreme financial hardship".

PLEASE READ IMPORTANT DISCLAIMER – PAGE 4

February 22, 2023 – In 2022 Steward sued Tenet for payments from the Florida Detected Payments Program (DPP) it believed it was owed given the back-dated periods these receipts relate to. Particulars of amounts are heavily redacted.

This lawsuit appears to have spectacularly backfired on Steward. Court filings now show Steward's "extreme" financial distress, eviction notices by landlords, and credit hold by numerous providers.

Documents pertaining to the case can be found on our website alongside this report.

Tenet counter-claim

Tenet lodged a counterclaim against Steward, claiming that it had **sent Steward several letters of demand for $18m in unpaid administrative IT services** it continued to provide to Steward under the Asset Purchase Agreement, and 10/12 of the program year DPP distribution, a sum of net $27m. Steward claims to have offset fees owed to it against payments owed to Tenet.

"Program Year" periods in relation to when "Closing" occurs.[31] The Defendants contend that they are entitled to approximately 10/12s of the DPP Distributions, after certain deductions, meaning that the Plaintiffs owe them approximately $27.7 million in DPP Distributions.[32] The Plaintiffs, in contrast, argue that they are entitled to the full amount of the DPP Distributions, meaning that the Defendants owe them approximately $4.6 million in DPP Distributions.[33]

Figure 1 – Steward vs Tenet C.A. No. 2022-0289-SG

Steward, who run dozens of hospitals in the USA outside of the former Tenet group, bizarrely claim that changing administrative providers or transferring these hospitals into their system is somehow prohibitive. Future Viceroy publications will show that this is likely because Steward has no back-end of its own, and relies heavily on endless transitioning services from vendors.

Interim judgement

In a spectacular backfire, the court has ruled that Steward must put up a $2.8m bond as security for Tenet to continue service under its APA until the case is concluded. This is indicative of the outcome.

III. CONCLUSION

For the foregoing reasons, the Plaintiffs' PI Motion is GRANTED, subject to the Plaintiffs' satisfaction of a $2.8 million monthly surety bond. The parties should confer and submit a form of order consistent with this Memorandum Opinion.

Figure 2 – Steward vs Tenet C.A. No. 2022-0289-SG

In determining what level of bond should be set, the Judge determined that a "high-end" estimate was appropriate, given Steward's financial distress and inability to pay bills as and when they fall due (i.e. Steward are insolvent). This was evidenced by "an eviction notice that [Steward] received for failure to pay rent" and "credit holds relating to [Steward's] failure to pay six vendors.

> In considering whether to set a bond, and if so, at what amount, I first note that the Defendants have submitted some evidence that the Plaintiffs have failed to pay certain debts as they have come due. For example, the Defendants cite an eviction notice that the Plaintiffs received for failure to pay over $63,000 in rent and credit holds relating to the Plaintiffs' failure to pay six vendors.[63] I also note that

Figure 3 – Memorandum of Opinion 2022-0289-SG

Doors wide shut – Tenet force discovery

In continuation of the case, on February 20, 2023, Tenet lodged a reply in support of their Motion to Compel discovery. Steward, as always, appears to be actively fighting against revealing the true state of its financial affairs.

Specifically, Steward is refusing to "prove" that it has filed "extreme" financial hardship applications with CMS, the federal agency who administers Medicare and Medicare, alongside states. Steward does not despite that these applications are based on "extreme financial hardship".

> 13. Steward does not dispute that its Applications included a showing of "extreme" financial hardship. Instead, Steward argues the Applications are not

Figure 4 – Steward vs Tenet C.A. No. 2022-0289-SG

The substance of the filing was allegedly to seek payment extensions or some other form of relief on the repayment of its Covid Accelerated & Advanced Payment Program ("**AAPP**") repayment obligations.

Incredulously, Steward is now claiming that Tenet is liable for these repayment obligations, despite the fact that extensions were only entered into "because Steward refused to reimburse [Tenet] for the same" (i.e. it was netted against the transaction cost).

The document further notes that a Demand Letter was issued to Steward by CMS. Steward further declines to provide documentation relating to weather or not this demand was ever paid up.

> 20. The fact that CMS issued a Demand Letter to Steward provided no indication that Steward filed Applications for "extreme" financial hardship. It also says nothing about whether the so-called "*actual*" October AAPP obligation of over [redacted] was ***ever actually paid***. Opp. at Ex. E (emphasis added). Instead, even

Figure 5 – Steward vs Tenet C.A. No. 2022-0289-SG

Inconsistency against MPW Blue Sky analysis

MPW, presumably via Steward, has consistently communicated Steward exemplary financial performance in 2022.

In its August 2022 Investor Update, MPW claimed that Steward was outperforming expectations and costs were under control.

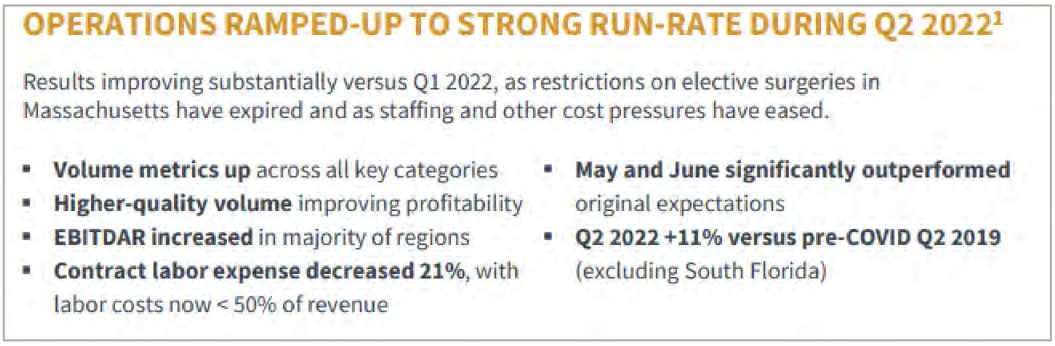


Figure 6 – MPW Investor Update, August 2022

MPW went as far as to say Steward was "substantially and sustainably positive free cash flow" beginning in Q4 2022.

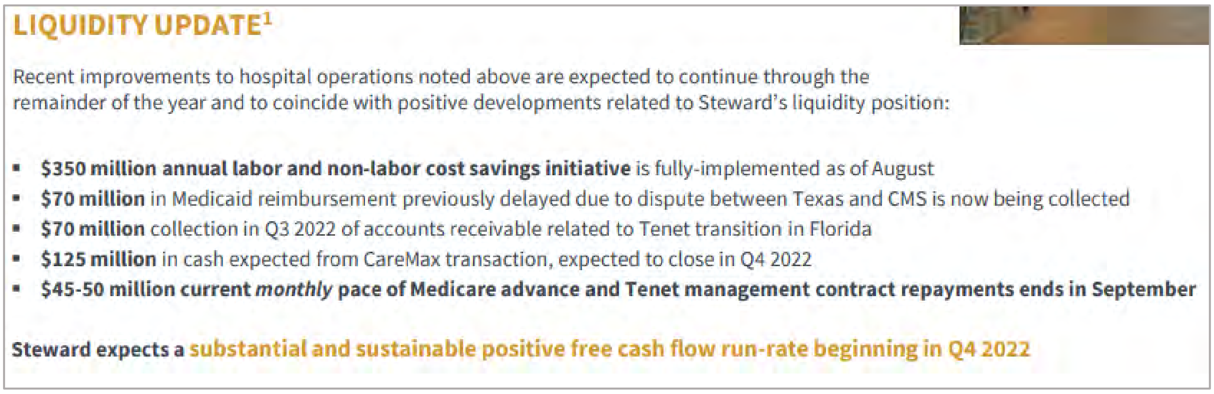


Figure 7 – MPW Investor Update August 2022

Despite this, Steward continues to claim to federal agencies that it is under "extreme" financial hardship, and appears to have hoarded unpaid demand letters from CMS.

If, as MPW claim, Steward is not insolvent or in any sort of "extreme financial hardship", then Steward may have defrauded the Government.

If Steward is under extreme financial hardship, then may have defrauded MPW and its investors

---

Attention: **<u>Whistleblowers</u>**

Viceroy encourage any parties with information pertaining to misconduct within Medical Properties Trust, its affiliates, or any other entity to file a report with the appropriate regulatory body.

We also understand first-hand the retaliation whistleblowers sometimes face for championing these issues. Where possible, Viceroy is happy act as intermediaries in providing information to regulators and reporting information in the public interest in order to protect the identities of whistleblowers.

You can contact the Viceroy team via email on viceroy@viceroyresearch.com.

About Viceroy

Viceroy Research are an investigative financial research group. As global markets become increasingly opaque and complex – and traditional gatekeepers and safeguards often compromised – investors and shareholders are at greater risk than ever of being misled or uninformed by public companies and their promoters and sponsors. Our mission is to sift fact from fiction and encourage greater management accountability through transparency in reporting and disclosure by public companies and overall improve the quality of global capital markets.

Important Disclaimer – Please read before continuing

This report has been prepared for educational purposes only and expresses our opinions. This report and any statements made in connection with it are the authors' opinions, which have been based upon publicly available facts, field research, information, and analysis through our due diligence process, and are not statements of fact. All expressions of opinion are subject to change without notice, and we do not undertake to update or supplement any reports or any of the information, analysis and opinion contained in them. We believe that the publication of our opinions about public companies that we research is in the public interest. We are entitled to our opinions and to the right to express such opinions in a public forum. You can access any information or evidence cited in this report or that we relied on to write this report from information in the public domain.

To the best of our ability and belief, all information contained herein is accurate and reliable, and has been obtained from public sources we believe to be accurate and reliable, and who are not insiders or connected persons of the stock covered herein or who may otherwise owe any fiduciary duty or duty of confidentiality to the issuer. We have a good-faith belief in everything we write; however, all such information is presented "as is," without warranty of any kind – whether express or implied.

In no event will we be liable for any direct or indirect trading losses caused by any information available on this report. Think critically about our opinions and do your own research and analysis before making any investment decisions. We are not registered as an investment advisor in any jurisdiction. By downloading, reading or otherwise using this report, you agree to do your own research and due diligence before making any investment decision with respect to securities discussed herein, and by doing so, you represent to us that you have sufficient investment sophistication to critically assess the information, analysis and opinions in this report. You should seek the advice of a security professional regarding your stock transactions.

This document or any information herein should not be interpreted as an offer, a solicitation of an offer, invitation, marketing of services or products, advertisement, inducement, or representation of any kind, nor as investment advice or a recommendation to buy or sell any investment products or to make any type of investment, or as an opinion on the merits or otherwise of any particular investment or investment strategy.

Any examples or interpretations of investments and investment strategies or trade ideas are intended for illustrative and educational purposes only and are not indicative of the historical or future performance or the chances of success of any particular investment and/or strategy. As of the publication date of this report, you should assume that the authors have a direct or indirect interest/position in all stocks (and/or options, swaps, and other derivative securities related to the stock) and bonds covered herein, and therefore stand to realize monetary gains in the event that the price of either declines.

The authors may continue transacting directly and/or indirectly in the securities of issuers covered on this report for an indefinite period and may be long, short, or neutral at any time hereafter regardless of their initial recommendation.

MARCH 1, 2023 REPORT

MPW – Q4 2022 Analysis

MPW's Q4 2022 results raise more questions than answers and show tenant quality decline.

PLEASE READ IMPORTANT DISCLAIMER – PAGE 4

March 1, 2023 – On February 23, 2023, MPW released their Q4 2022 results and held their earnings call, both of which raised several issues and confirmed Viceroy's continued belief in the weakness of their tenant base.

Commonspirit

- Management confirmed that the sale of the Utah sale to Commonspirit would result in a rent reduction for the new tenant. Set at 7.8% of the $1.22b investment base with annual increases of 3%, this is a significant decline from what Steward was paying calculated through public CPI figures and the Steward Master lease.
- By our calculations, Commonspirit's annual rent on these properties will not exceed Steward's forecast 2023 rent until 2027.

Utah properties analysis - Viceroy Research							
Investment basis (USDm)	1,220						
Steward				Commonspirit			
Year	Lease rate	Increase	Rent	Year	Lease rate	Increase	Rent
2020	8.0%		97.60	2023	7.80%	3%	95.16
2021	8.2%	2.0%	99.55	2024	8.03%	3%	98.01
2022	8.6%	5.0%	104.53	2025	8.28%	3%	100.96
2023	8.7%	2.0%	106.62	2026	8.52%	3%	103.98
				2027	8.78%	3%	107.10

Figure 1 – Utah properties analysis – Viceroy Research[1]

Straight-line shenanigans

- As part of Prospect's declining…prospects, MPW claim to have impaired or written off (see below) $112m in unbilled rent.
- MPW appear to have hidden past unbilled rent write-offs and impairments through undisclosed sales of equity investments and "other" items. A comparison of their FFO calculations for 2021 as presented in 2022 and 2021 shows that a $2.27m recovery of unbilled rent was a ($7.23m) write-off offset by gain on sale of equity investments.

2021 FFO Financials Analysis - Viceroy Research				
Presented	**Q4 2022**	**Q4 2021**	**Q4 2022**	**Q4 2021**
	FY 2021		**Q4 2021**	
Funds from operations	**975,988**	**975,988**	**259,398**	**259,398**
Write-off of unbilled rent and other	7,213	(2,271)	8,814	(670)
Gain on sale of equity investments	(40,945)		(40,945)	
Other impairment charges, net	39,411		39,411	
Non-cash fair value adjustments	(8,193)	(8,193)	(5,430)	(5,430)
Tax rate changes and other	34,796	42,746	(7,950)	-
Debt refinancing and unutilized finar	27,650	27,650	25,311	25,311
Normalized funds from operations	**1,035,920**	**1,035,920**	**278,609**	**278,609**

Figure 2 – FY 2021 & Q4 2021 FFO Financials Analysis

[Note that the figures highlighted in each column as presented in Q4 2022 net out to the figures highlighted as presented in Q4 2021.]

- MPW is also unclear on whether it is writing off Prospect's straight-line rent or impairing it, as both appear in the 8-K.

> Fourth quarter 2022 net loss and full-year 2022 net income include a real estate impairment of approximately $171 million related to four properties leased to Prospect Medical Holdings ("Prospect") in Pennsylvania as well as a write-off of roughly $112 million in unbilled Prospect rent also included in Funds from Operations ("FFO") but excluded from normalized results;

[1] Terms from the master steward lease, assuming a constant investment basis of $1.22b

Funds from operations	$	128,333	$	259,398	$	934,312	$	975,988
Write-off of unbilled rent and other		3,390		8,814		37,682		7,213
Gain on sale of equity investments		—		(40,945)		—		(40,945)
Other impairment charges, net		112,368		39,411		97,793		39,411

Figures 3 & 4 – MPW Q4 2022 8K

- The "other impairment charges, net" line item, which in Q4 2022 includes the $112m impairment of Prospect straight line rents, is not elaborated upon however we believe it is in part previous straight line rent impairments.
- Using these figures to determine comparable figures for past period results in higher "write off of unbilled rent" but also a negative impairment charge for Q1 – Q3 2022.

2022 FFO Financials Analysis - Viceroy Research				
Presented		**Q4 2022**		**Q3 2022**
Period	**Q4 2022**	**FY 2022**	**Q1 - Q3 2022**	**Q1 - Q3 2022**
Funds from operations	128,333	934,312	805,979	805,979
Write-off of unbilled rent and other	3,390	37,682	34,292	27,444
Gain on sale of equity investments	-	-		
Other impairment charges, net	112,368	97,793	(14,575)	
Non-cash fair value adjustments	10,230	(2,333)	(12,563)	(12,563)
Tax rate changes and other	3,795	10,697	6,902	(825)
Debt refinancing and unutilized finar	-	9,452	9,452	9,452
Normalized funds from operations	**258,116**	**1,087,603**	**829,487**	**829,487**

Figure 5 – 2022 FFO Financials Analysis – Viceroy Research

- Without comparable figures for previous years, we are unable to determine the length or extent of this practice however it raises serious questions about MPW's previous straight-line rent impairments as none were disclosed for 2021.
- We look forward to further clarity in the publication of the company's full 2022 10-K.

Poor Prospects

- MPW confirmed that tenant Prospect had not paid all its rent for January and February and evaded the question of whether they had paid any rent in January and February. Given management's guidance assumed collecting no rent whatsoever from Prospect for the year, we believe Prospect has indeed paid no rent this year.

Michael Albert Carroll
RBC Capital Markets, Research Division

Did Prospect pay their full rent in January and February?

R. Steven Hamner
Founder, Executive VP, CFO & Director

No.

Michael Albert Carroll
RBC Capital Markets, Research Division

Okay. Did they pay any rent in January and February?

R. Steven Hamner
Founder, Executive VP, CFO & Director

That we haven't disclosed, but no, they did not pay their full rent.

Figure 6 – MPW Q4 2022 earnings call transcript

- Prospect's problems in Pennsylvania will not be easily solved by repurposing activities: the former seller has sued Prospect over closures[2], the company is being held in contempt of court for altering services[3], and has been accused of intentionally short staffing its hospitals. We have serious doubts in a $1b valuation for Prospect's managed care segment.
- Despite previous comments that Prospect's California hospitals were performing well, management confirmed when questioned that these hospitals also had not paid all their rent for 2023 so far.

[2] https://www.inquirer.com/business/health/delaware-county-memorial-hospital-petition-block-closure-filed-20220928.html
[3] https://www.inquirer.com/business/health/prospect-medical-attorney-general-contempt-delaware-county-memorial-20221115.html

Edward K. Aldag
Founder, Chairman, President & CEO

So that's a good question. So we included Pennsylvania in the coverage this time. And it's important to note that the California facilities continue to perform at acceptable levels. The Pennsylvania facilities are not where we would like them to be, certainly disappointed in where they are. I think that the changes or some of the changes that Prospect has going on at Pennsylvania is certainly in the right direction. Haven't borne the fruit that we certainly would hope that they would at this particular time. But remember, they've got the managed care business, which is extremely profitable that generates strong cash flow for them.

And as Steve pointed out earlier, there are potential transactions out there that we're not in a position where we can comment any further than that on that gives us comfort at this particular time. And we remain comfortable in the California facilities.

John Joseph Pawlowski
Green Street Advisors, LLC, Research Division

Okay. Are they paying rent currently under the California for hospitals?

R. Steven Hamner
Founder, Executive VP, CFO & Director

No. For -- as I mentioned a little earlier, very little of January, February rent has been paid.

Figures 7 & 8 – MPW Q3 2022 & Q4 2022 earnings call transcript

- Unpaid billed rent from Prospect was also cited as the reason for the increase in accounts receivable raising the question of how long Prospect has been in arrears for.

And then the AR receivables being up $50 million, and anything going on there with kind of slower...

R. Steven Hamner
Founder, Executive VP, CFO & Director

Yes, Prospect is a big piece of unpaid billed rent.

Figure 9 – MPW Q4 2022 earnings call transcript

- It seems fairly clear that Prospect is in a terrible position and possibly insolvent considering they are not paying their rent as it comes due and have not done so for some time. MPW is effectively banking on a Prospect sale at this point to recoup its losses.

Conclusion

It is becoming clear that MPW and its tenants long-term financial situation is unsustainable. Tenants selling operations result in rent cuts, tenants unable to do so are not paying their rent in full and MPW is having to write off or impair its straight line rent receivables which it had previously assured investors were safe.

Auditors should place greater scrutiny on MPW's accounting treatment of these assets.

We look forward to more clarity on these issues when the company releases its annual report.

Attention: Whistleblowers

Viceroy encourage any parties with information pertaining to misconduct within Medical Properties Trust, its affiliates, or any other entity to file a report with the appropriate regulatory body.

We also understand first-hand the retaliation whistleblowers sometimes face for championing these issues. Where possible, Viceroy is happy act as intermediaries in providing information to regulators and reporting information in the public interest in order to protect the identities of whistleblowers.

You can contact the Viceroy team via email on viceroy@viceroyresearch.com.

About Viceroy

Viceroy Research are an investigative financial research group. As global markets become increasingly opaque and complex – and traditional gatekeepers and safeguards often compromised – investors and shareholders are at greater risk than ever of being misled or uninformed by public companies and their promoters and sponsors. Our mission is to sift fact from fiction and encourage greater management accountability through transparency in reporting and disclosure by public companies and overall improve the quality of global capital markets.

Important Disclaimer – Please read before continuing

This report has been prepared for educational purposes only and expresses our opinions. This report and any statements made in connection with it are the authors' opinions, which have been based upon publicly available facts, field research, information, and analysis through our due diligence process, and are not statements of fact. All expressions of opinion are subject to change without notice, and we do not undertake to update or supplement any reports or any of the information, analysis and opinion contained in them. We believe that the publication of our opinions about public companies that we research is in the public interest. We are entitled to our opinions and to the right to express such opinions in a public forum. You can access any information or evidence cited in this report or that we relied on to write this report from information in the public domain.

To the best of our ability and belief, all information contained herein is accurate and reliable, and has been obtained from public sources we believe to be accurate and reliable, and who are not insiders or connected persons of the stock covered herein or who may otherwise owe any fiduciary duty or duty of confidentiality to the issuer. We have a good-faith belief in everything we write; however, all such information is presented "as is," without warranty of any kind – whether express or implied.

In no event will we be liable for any direct or indirect trading losses caused by any information available on this report. Think critically about our opinions and do your own research and analysis before making any investment decisions. We are not registered as an investment advisor in any jurisdiction. By downloading, reading or otherwise using this report, you agree to do your own research and due diligence before making any investment decision with respect to securities discussed herein, and by doing so, you represent to us that you have sufficient investment sophistication to critically assess the information, analysis and opinions in this report. You should seek the advice of a security professional regarding your stock transactions.

This document or any information herein should not be interpreted as an offer, a solicitation of an offer, invitation, marketing of services or products, advertisement, inducement, or representation of any kind, nor as investment advice or a recommendation to buy or sell any investment products or to make any type of investment, or as an opinion on the merits or otherwise of any particular investment or investment strategy.

Any examples or interpretations of investments and investment strategies or trade ideas are intended for illustrative and educational purposes only and are not indicative of the historical or future performance or the chances of success of any particular investment and/or strategy. As of the publication date of this report, you should assume that the authors have a direct or indirect interest/position in all stocks (and/or options, swaps, and other derivative securities related to the stock) and bonds covered herein, and therefore stand to realize monetary gains in the event that the price of either declines.

The authors may continue transacting directly and/or indirectly in the securities of issuers covered on this report for an indefinite period and may be long, short, or neutral at any time hereafter regardless of their initial recommendation.

MARCH 3, 2023 REPORT

MPW & SHCI – A Den of Thieves

Viceroy Research has obtained Swiss bank statements which show numerous receipts from SHCS, which appear to be immediately laundered to politicians, con men, and VGH fraudsters.

PLEASE READ IMPORTANT DISCLAIMER – PAGE 13

March 3, 2023 – Viceroy have been presented with a dossier highlighting criminal activity by Accutor AG, Steward Health Care Systems (MPW's largest customer), and Steward Health Care International (an MPW off-balance sheet subsidiary).

We thank Tacet Global's Greg Gillespie for allowing us to access to his investigation into Accutor AG. Mr. Gillespie has sunk countless hours on this project, and voluntarily submitted a dossier to the Malta courts in support of the annulment of the Malta Hospital Concessions.Tacet Global's website can be found at: www.TacetGlobal.com

- Through a small window of bank statements: we can see **Steward Health Care Systems ("SHCS") made millions, or potentially tens of millions, in disbursements to Accutor AG** in relation to Steward Health Care System's €1 acquisition of Vitals Global Health ("VGH"). Accutor AG is a VGH related party.
  - These payments were labelled as "**milestone fees**" and "master disbursements" and were routed out of Accutor AG to various VGH related parties. Accutor AG famously routed money to former Malta PM, Joseph Muscat. It also made payments to Shaukat Ali & Asad Ali, Bluestone, Wasay Bhatti, and Ram Tumuluri.
  - Neither SHCS, who made these payments, nor Accutor AG, who received these payments, were a party to the SHCI & VGH deal.
  - The nature of these payments appear to be **bribes** or **quid-pro-quos**, and likely constitute **wire fraud**.
- Tacet Global's investigations of Accutor AG show that the payroll services company has **committed tax fraud, pension fraud, embezzlement, immigration fraud, modern slavery, and forging & counterfeiting across dozens of its jurisdictions**.
  - Investigations show that **Accutor forged pay-slips, tax remittance of clients, and pension remittance in order to embezzle those funds**.
  - **SHCI and SHCS continue to do business with the Accutor and VGH thieves**. SHCI are frequently in marketing campaigns with the Accutor cabal, including Joseph Muscat, Spring Healthcare.
- MPW and Steward CEO Ralph De La Torre created a consortium to purchase all of Stewards Health Care Systems' international assets and future international pipeline, **separating SHCI from SHCS**.
  - The Steward Health Care International umbrella falls under Steward Health Care International SA, registered in Spain. See our previous report MPW Case Study – Steward International
  - Steward Health Care International SA is owned by the Manolete group of entities in the USA, whose **beneficiaries are Ralph De La Torre and MPW**. We understand SHCI CEO Amin Ernst may also hold a minority interest.
- **SHCI, vis a vis Manolete, adamantly denies any connection to MPW**.
  - **MPW is written into SHCI subsidiary by-laws** as a member of the Manolete group of entities.
  - Texas local **franchise filings show MPW is a shareholder of Manolete**.
  - MPW has a subsidiary listed in its annual report with the Manolete name.
  - MPW literally announced that it paid $205m for a 49% equity stake in Steward's international business. The cash left the business.
- Steward Health Care Systems, MPW's largest customer, made **potentially tens of millions of dollars in fraudulent disbursements to VGH related parties and other conflicted parties through Accutor AG**.
  - The nature of these payments constitutes **bribes or quid pro quos**.
  - **SHCS and SHCI appear to continue doing business with the con-men behind Accutor, VGH**, etc.
  - SHCI was found to have fraudulently obtained its hospital concession in Malta.
  - SHCI's parent companies share SHCS's office to this day.

1. A background on Accutor Frauds

Accutor is a “global management company” effectively providing legal and administrative support for companies with overseas operations. Operations appear limited to payroll services, local tax compliance, pensions and the paperwork involved with those tasks.

In theory, agents charge a commission to process these tasks, and ensure that employers and employees are tax, pension and/or insurance compliant. This effectively ensures that taxes are deducted from employee wages and remitted to the relevant tax/pension/insurance authority.

In practice, Accutor failed to properly disburse wages to employees, tax authorities, insurance authorities and/or pensions. Accutor covered up this behavior by fabricating pay slips.

These funds were funneled out of the business toward Bhatti’s luxury purchases, real estate, and the attempted purchase of Crystal Palace football club, among others.

11.5. Enquiries suggested that AYLWARD was also involved, behind the scenes, with White Tiger Capital, and that they were currently attempting to purchase other EFL and international football clubs.

11.6. An interviewee stated that WB claimed that he was attempting to be purchase Crystal Place Football Club.

Figure 1 – Tacet Global Investigation Report

The mechanism for this embezzlement is fairly simple and Gillespie lays out 5 iterations of Accutor’s basic operation that occurred.

1. Payroll Revenue – Accutor takes payment from the company, pays contractor’s wages to the contractor and the relevant taxes, social security, and pension obligations. The company keeps a percentage as commission. This is how the business is supposed to operate.
2. Non-registration – Accutor takes payment from the client, pays the contractor’s wages but pockets everything else.
3. Inaccurate registration – Accutor takes payment from the client and pays the contractor’s wages but inaccurately declares the contractor’s revenue and pockets the difference in tax, social security and pension.
4. Retain everything – Accutor takes payment from the client and keeps everything.
5. Bank account bypass – Effectively the same as methods 2 and 3 but through its Swiss currency accounts.

While these findings are not directly relevant to Steward it is telling that they used Accutor instead of a more established and reputable firm for its first international operation.

We note that, despite Accutor’s website still being live, it appears to have completely abandoned its operations at least in Malta. Regus, the business address provider, accused Accutor Malta of ignoring its repeated requests to stop listing its St Julian’s address as its registered address, and the company has not filed accounts since 2017[1].

[1] https://timesofmalta.com/articles/view/accutor-firm-hired-muscat-consultant-breaching-company-law.974564

2. Key Players – An update

Dr Wasay Bhatti – Owner of Accutor AG

Accutor is owned by Dr Wasay Bhatti who stands connected to several other controversial activities. In addition to owning Accutor he owned

- Unbeknownst to his fellow directors at Accutor, Bhatti founded the company with bearer shares effectively lying to them about their ownership. Gillespie believes this was done in order to distance Bhatti from the illegal activities Accutor carried out.
- Interviews conducted by Gillespie show Bhatti, along with other Accutor personnel[2], were in the Ahmadiyya movement, an Islamic revival movement. Bhatti is described as a senior figure in this community with ambitions to become its leader. Accutor made payments to Ahmadiyya, effectively payments acquired through criminal activities.
  - Accutor also received a EUR500k credit for unclear purposes.
- Reportedly corresponded with Yorgen Fenech about what is effectively money laundering when Fenech's Dubai company was revealed to be his. Fenech was charged with complicity in the murder of Maltese journalist Daphne Galizia for her reporting on Malta's corruption.

> Moreover, Schembri reportedly shared Bhatti's contact with his good friend Yorgen Fenech, who has been charged with complicity in journalist Daphne Caruana Galizia's murder.
>
> Email correspondence between Bhatti and Fenech gives the claim further credence. After Fenech was outed as the owner of a Dubai-registered company 17 Black, he reached out to Bhatti for help in moving his money out of the Ajman Region, where his 17 Black company was registered.

Figure 2 – Repubblika demands police investigation into Joseph Muscat's dealings[3]

Ata Rajput & Lujo Mikulicic

Ata Rajput and Lujo Mikulicic are Accutor's Legal Counsel and "paper" director respectively. While the investigation did not find Rajput or Mikulicic financially benefitted from the fraud, those interviewed stated they saw large payments go to Rajput.

> 3.13. The internal workings of the company and its subsidiaries were set up and structured to profit from the fraud. This includes WB, AR and LM knowingly deceiving staff, local authorities, and clients, in order to conceal their activities. Their actions included, but were not limited to:
>
> 3.13.1. Forging documentation for tax and similar audits by the authorities;
>
> 3.13.2. Faking signatures of contractors on legal documents;
>
> 3.13.3. Providing financial statements to prospective customers with inaccurate and inflated numbers;
>
> 3.13.4. Instructing staff to lie to customers when contacted by customers querying payments and registration issues.

Figure 3 – Tacet Global Investigation Report

---

[2] Head of legal counsel Ata Rajput and director Lujo Mikulicic

[3] https://newsbook.com.mt/en/repubblika-demands-police-investigation-into-joseph-muscats-dealings/

Shaukat Ali & Asad Ali – Investors in Bluestone.

Shaukat Ali Ghafoor & his son[4], Asad Ali, appear to be a career con men. Along with his son, Asad Ali, Shaukat was signatory to the original MoU which awarded the corrupt hospital concession to VGH[5] in 2014.

Power broking for Steward

Shaukat Ali allegedly brokered similar agreements to that in Malta with the governments of Montenegro, Macedonia, and Albania wherein Vitals was the original counterparty, later replaced by Steward.

- Media reports indicate that Steward retained the services of Shaukat Ali to negotiate with the Northern Macedonian government led by Prime Minister Zoran Zaev[6].
- In May 2018 Macedonian prime minister Zaev allegedly met with then-Prime Minister of Malta Joseph Muscat and Shaukat Ali to discuss the privatization of North Macedonian hospitals. Albanian news outlet Exit News claims that there are photos evidencing that the meeting took place, but these photos have not been publicized.
  - By then Steward had announced its takeover of the VGH concession in Malta (this happened on 20 December 2017)[7].
- Albanian news outlet Exit News states that Ram Tumuluri and Shaukat Ali were "involved in both VGH and Steward"[8].

Tyrone Greenshields & Kamal Sharma – Defrauded Investors of Accutor

As mentioned above, Bhatti set up Accutor AG through bearer shares before deceiving new directors Tyrone Greenshields and Kamal Sharma as to their share of the business. Both Greenshields and Shama were under the impression that they each owned 25% of Accutor while they in fact owned none.

According to Gillespie's investigation Greenshields and Sharma were also largely unaware of the ongoing fraud at Accutor or the Steward Health Care payments to Malta.

[4] https://www.maltatoday.com.mt/news/national/84246/saint_james_hospital_the_botched_sale_and_the_middleman#.YkdV5igpCUk
[5] https://theshiftnews.com/2018/01/27/vitals-ownership-untangling-the-web/
[6] https://english.republika.mk/news/macedonia/suspicious-businessman-with-ties-to-gaddafi-is-zaevs-contact-for-a-major-healthcare-project/
[7] https://www.maltatoday.com.mt/news/national/83233/vitals_selling_malta_hospitals_concession_american_steward_healthcare#.YkdVsigpCUk
[8] https://exit.al/en/2020/03/03/company-eyeing-lucrative-healthcare-ppp-in-albania-owes-e12-million-to-maltese-government/

3. How Much did Steward Pay for Vitals?

Steward Health Care International ("**SHCI**") was purported to have paid €1 for VGH, vis a vis the Malta Hospital Concession. This was a lie, and it was properly called out by members of the Maltese press on numerous occasions. SHCS made payments to a VGH related party, Accutor AG, who appears in turn to have made payments to other thieves, allegedly including recently resigned PM, Joseph Muscat.

In spectacular fashion Steward Health Care Malta ("**SHCM**"), a subsidiary of SHCI, once again fabricated a public statement in response to these allegations to clear the air. Among other things, SHCM claimed that:

- Accutor was nominated by Bluestone, the owner of VGH, as "chosen destination for the payment considerations due to [Bluestone]"
- It transferred funds to Accutor in March 2018, after conducting due diligence.
- SHCM made subsequent payments to Accutor post March 2018 to "access salary-payment systems" via a "payroll operator" subsidiary.
- There was no connection between SHCM payments to Accutor and Joseph Muscat.
- SHCM disclaims that it had no "inappropriate" relationship with Accutor before or since the activity undertaken by Accutor (without disclosing what that activity is).
- SHCM claims it is not responsible "subsequent activity" undertaken by Accutor.

These statements are either complete fabrications or intentionally misleading by omission.

A full copy of the response can be found in the link below:

https://timesofmalta.com/articles/view/firm-that-paid-muscat-received-vitals-money-steward-confirms.932623

The Payments Made to Accutor

Swiss banking records of Accutor AG show millions of dollars of "milestone" receipts, monthly retainers, and other untitled disbursement receipts made by Steward Health Care Systems ("**SHCS**").

Note, SHCS was not immediately party to the transaction, and neither was Accutor AG. SHCM's statement claim that it had paid Accutor AG, not SHCS. This was a complete lie. Both Accutor & SHCS shared employees, owners, and management with VGH & SHCI.

We believe these payments are bribes disguised as consulting agreements for the purchase of the VGH concession.

Viceroy believe that the Steward & Bluestone Share Purchase Agreement included a master disbursement agreement under which various liabilities, and various other uncommercial agreements were required to be paid by SHCI in order to finalize the deal.

Bank Records of SHCS Receipts

Again, these payments were made by SHCS to Accutor AG, neither a party to the transaction.

Tacet Global's investigations discovered Steward Health Care Systems made ~€3.5m and $515k in payments from February to April 2019 to Accutor AG. Viceroy can confirm many further payments to the tune of €4.5m. We believe this list is non-exhaustive. These include:

- A $514k "milestone payment" on February 6, 2018. This was two weeks before Steward finalized its takeover over the Malta hospitals concession. For an unknown reason this is the only USD payment ever made by SHCS in the documents. The legal implications for these payments are unquantifiable now, but due to a high degree of belief, Viceroy Research have notified the US State Department, Department of Justice and the U.S. Postal Inspection Service.

6 Feb 2018
VERGUETUNG
USD 514,993.55

Posting date	Wednesday, 7 February 2018
Value date	Tuesday, 6 February 2018
Amount	USD514,993.55

STEWARD HEALTH CARE SYSTEM LLC
MASTER DISBURSEMENT FUNDING
850 WASHINGTON ST
DEDHAM, MA 02026-6000
/RFB/1826F0029EHO0045//MILESTONE PA
YMENT, STE HEALTHCO LIMITED
ZD81037ZD9901735

Figures 4 & 5 – Accutor Swiss Banking Records

- On the day the concession was finalized, SHCS made a €2.5m payment to Accutor.

20 Feb 2018
VERGUETUNG
EUR 2,499,994.76

Posting date	Tuesday, 20 February 2018
Value date	Tuesday, 20 February 2018
Amount	EUR2,499,994.76
Bank description	STEWARD HEALTH CARE SYSTEM LLC MASTER DISBURSEMENT FUNDING 850 WASHINGTON ST DEDHAM, MA 02026-6000 /RFB/182GA3601N0M2728//STEWARD HEAL TH CARE INTERNATIONAL

see next PAGE

ASK Lwjo

Figure 6 – Accutor Swiss Banking Records

- Steward appears to have made monthly ~€80k payments marked as retainer fees from at least November 2017 to at least April 2019. Note that, in November 2017, the deal had yet to be announced, let alone finalized[9]. These payments may be ongoing.

Posting date	Tuesday, 23 January 2018
Value date	Tuesday, 23 January 2018
Amount	EUR159,994.88
Bank description	STEWARD HEALTH CARE SYSTEM LLC MASTER DISBURSEMENT FUNDING 850 WASHINGTON ST DEDHAM, MA 02026-6000 /RFB/181JC3141B5T2964//NOVEMBER AND DECEMBER RETAINER

Figure 7 – Accutor Swiss Banking Records

9 https://www.maltatoday.com.mt/news/national/83233/vitals_selling_malta_hospitals_concession_american_steward_healthcare#.Y_4ZJXbMKUk

Payments from St Elizabeth's Medical Center

For unspecified reasons, SHCS retainer payments appeared to have been paid from St Elizabeth Hospital for 3 months, totaling ~€230k . The payments, amounts, payment reference and timing were consistent with SHCS retainer.

3 Apr 2019
VERGUETUNG EUR 79,994.62

Entry date	Wednesday, 3 April 2019
Value date	Wednesday, 3 April 2019
Amount	EUR79,994.62
Bank description	MASTER DISBURSEMENT FUNDING 736 CAMBRIDGE STREET BRIGHTON 02135 US MA /RFB/194211404K5E0S49 ZD81093ZD4008885

Figure 8 – Accutor Swiss Banking Records

While the payee is not specified: the address is that of St Elizabeth's Medical Center in Boston. The hospital is operated by SHCS, and owned by MPW. This entity is not a party to the SHCI & VGH transaction. The amounts are too extreme for payroll services to one hospital.

This payment appears to be a bribe or quid-pro-quo, and likely constitutes wire fraud.

Payment Timing

SHCM claim that it had conducted due diligence on, and first paid Accutor AG consideration for VGH, on March 18, 2018. SHCM further claim that subsequent payments were made to Accutor in exchange for payroll services.

- The above banking records show that payments were made to Accutor AG from SHCS from as early as January 2018, and related to periods as far back as November 2017.
- Receipts predating March 2018 exceed $3m, and are labeled as "Milestone Payments", "Retainer" and "Master Disbursement Funding".
- Receipts after the March 2018 transaction were similarly titled as retainers, for the same monthly amounts, along with other miscellaneous disbursements.

It is a lie by omission that SCHM did not do business with Accutor AG prior to the VHG deal. It is a statement of fact that Accutor AG, VGH, and Bluestone were related parties. It is also a statement of fact that SHCI, SHCM, SHCS and Accutor AG were related parties via their association with Asad Ali, a former senior management team member of SHCI.

It is not plausible that SHCS, who was not a party to the transaction, was paying Accutor AG prior to SHCM's acquisition of VGH for VGH's payroll services.

SHCS, who was not a party to the transaction, was making "Milestone Payments" to Accutor AG in relation to the VGH deal.

These transactions take the appearance of a quid-pro-quo, or bribes, relating to a major acquisition by an MPW subsidiary. They must be scrutinized.

Who paid Accutor AG? KYC flaws

SHCS was the entity that made alleged bribes on behalf of SHCI. Further: it appears that payments from SHCS's operational US hospitals were also funneled into Accutor AG.

As ruled by the Malta courts: Steward obtained the Malta Concession via fraudulent means[10]. It seems that this rot runs through with payments to various third parties, the processing of payroll and tax by a company whose foundations are fraudulent, no KYC/AML.

The various receipts from SHCI contain no referenced invoice numbers. Some are signed as monthly retainers.

We note the following from discussions with Greg Gillespie, who collected this data:

- Bexio accounting slips printed for reconciliation by Accutor accounts staff are marked with "Ask Lujo [Mikulicic]"
- The reason these transactions were flagged were because there were no invoices issued to SHCI in the accounting system, nor purchase orders recorded, or any other reference documentation for this document.
- We note that these payments likely constituted bribes to Accutor and its related party, who were ostensibly Bluestone (the immediate parent of VGH).

Given what we presume to be even mild due diligence for this deal: we have no idea why MPW got involved in Steward Malta.

Accutor appear to have been similarly involved in running SHCI's operations for its Malta concession.

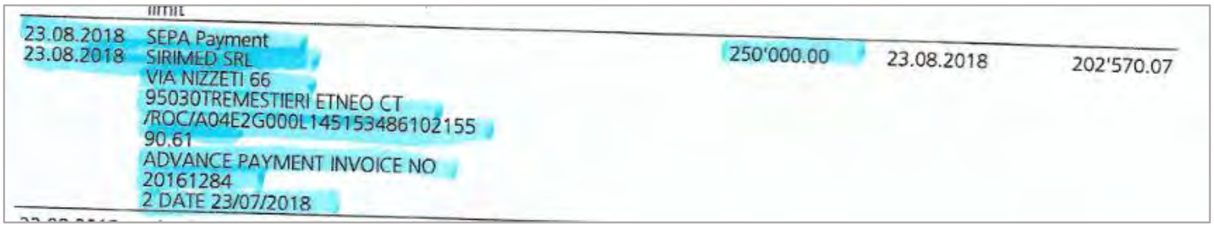
SHCM claims it is not responsible "subsequent activity" undertaken by Accutor. This is absurd for various reasons:

- SHCM did not make payment to Accutor AG, SHCS did.
- SHCS and Accutor AG are not party to the VGH transaction in any way.
- The entire reason banks require KYC checks is so that funds are not misappropriated in this way.

Viceroy Research believes these transactions classify as wire fraud.

Kickbacks

Accutor simultaneously received hundreds of thousands of Euros from Sirimed, who was contracted to work on St Barts hospital by SHCI[11]. Local news subsequently reported "severe financial problems related to the project"[12].



23.08.2018 23.08.2018	SEPA Payment SIRIMED SRL VIA NIZZETI 66 95030TREMESTIERI ETNEO CT /ROC/A04E2G000L145153486102155 90.61 ADVANCE PAYMENT INVOICE NO 20161284 2 DATE 23/07/2018	250'000.00	23.08.2018	202'570.07

Figure 9 – Accutor Swiss Banking Records

There is simply no plausible explanation for a one-off, round number receipt from Sirimed at Accutor AG. This receipt from Sirimed appears to be a kickback stemming from its relationship with SHCI and SHCS.

[10] https://www.maltatoday.com.mt/news/national/121477/in_his_words_a_judges_damning_indictment_of_the_steward_and_vitals_deal#.Y_3rL3bMKUk
[11] https://timesofmalta.com/articles/view/work-on-barts-campus-grinds-to-a-halt-again.682917
[12] https://timesofmalta.com/articles/view/work-on-barts-campus-grinds-to-a-halt-again.682917

Further Steward disbursements

Further to the limited timeframe or outside of Swiss Bank accounts we obtained: there appears to have been numerous absurd termination payments, contracts, alleged loans and performance payments that Steward appears to have agreed to without a second thought as part of the VHG Share Purchase Agreement[13].

These were excellently reported by The Shift in their VGH investigation saga. Two topical articles surrounding further disbursements as follows:

- A Dubai company, Mount Everest General Trading, signed a settlement agreement with Vitals and Bluestone for a €1.4m termination fee[14].
- Samuel Luft, a Canadian investor was entitled to a €1.85m termination agreement along with further liabilities over which Luft later filed a garnishee order for €1m. Luft provided significant funding to Vitals in the form of loans to Bluestone.
- Luft, Dubai construction company Sharpoorji Pallonji Mideast LLC and Ashok Rattehalli also had encumbrances upon VGH shares.
- A Canadian company Magini Ltd filed a garnishee order on the same day as Luft for €200k.
- Other smaller garnishee orders were filed by Specialized Engineering Solutions, an American engineering firm who worked on the hospitals, and PT Matic Environmental Services, a Maltese waste management firm.

Where did the money go?

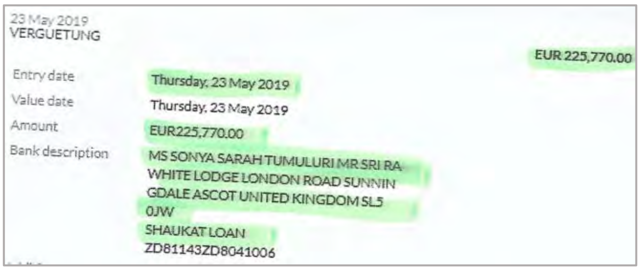
Tacet Global investigations show hundreds of payments made out from Accutor AG to VGH related parties.

- Payments were made out to Bluestone Investment (Ram Tumuluri) to the tune of at least €245k post the VGH & SHCI transaction. They were referenced as "shareholder loans" Example:

25.07.2018 25.07.2018 e-banking Order BLUESTONE INVESTMENTS MALTA LTD MT PAOLA SHAREHOLDER LOAN 100'000.00 25.07.2018

Figure 10 – Accutor Swiss Banking Records

- Ram Tumuluri was also paid out millions of euros in cash via personal accounts, various controlled entity accounts (i.e. Oberoi, Mount Everest), and in-kind legal fee remittances by Accutor AG.
- Shaukat Ali was paid hundreds of thousands of euros, dollars and francs personally, through various international controlled entities, or through his wife, following in flows from the SHCS & VGH deal. Some of these were also disguised as "loans":



23 May 2019
VERGUETUNG
EUR 225,770.00

Entry date	Thursday, 23 May 2019
Value date	Thursday, 23 May 2019
Amount	EUR225,770.00
Bank description	MS SONYA SARAH TUMULURI MR SRI RA WHITE LODGE LONDON ROAD SUNNIN GDALE ASCOT UNITED KINGDOM SL5 0JW SHAUKAT LOAN ZD81143ZD8041006

Figure 11 – Accutor Swiss Banking Records

- Asad Ali was similarly paid millions of dollars from Accutor AG into his personal accounts.
- Dr Wasay Bhatti withdrew millions upon millions of dollars from Accutor, and spent lavishly on cars, clothes and private education for his children at the expense of those he defrauded.

[13] https://theshiftnews.com/2019/01/13/the-big-sell-out-steward-bought-vitals-for-e1-but-millions-changed-hands/
[14] https://theshiftnews.com/2019/01/13/the-big-sell-out-2-dubai-company-funded-vitals-gets-over-e1-million-payoff/

4. Spring Healthcare & UNWTO arrangement

According to Accutor employee interviews conducted by Gillespie, Spring Healthcare is the same company as Spring X Media, the other entity with Accutor which wired funds to Muscat.

> 10.24. In interviews, witnesses have verified that the company was set up as an additional way for Accutor to avoid paying tax. Spring X Media was an "off the shelf" company which was used by Accutor as a legal entity to contract its own staff to. As a media company, it would benefit from lower tax rates which were then exploited by Accutor. The name Spring X Media was later changed to be Spring Healthcare.

Figure 12 – Tacet Global Investigation Report

Steward claimed to have no relationship to Bhatti-run Swiss medical firm Spring Healthcare. Both Bhatti and Spring Healthcare are facing lawsuits in the US for failure to deliver COVID-19 antigen tests[15] and running away with the payments and the company was found to have sold rebranded Chinese COVID antigen tests which were found to be less accurate than advertised[16].

Wasay Bhatti, the owner of Spring Healthcare, intentionally distances himself the company by identifying himself as a "consultant".

> In total, 50,000 Biozek tests were reportedly imported into North Macedonia, mostly via another middleman after the relationship between the Swiss and Dutch companies fell apart.
>
> Wasay Bhatti, a consultant for Spring Healthcare, said that Inzek had misled his firm into believing the tests were made in the Netherlands.
>
> "It was not clear that it's fully manufactured by a Chinese company and that everything is done [in China]," Bhatti said.

Figure 13 – Tacet Global Investigation Report

Spring Healthcare had previously listed SHCI on its "Our Partners" page before a cease-and-desist notice sent by SHCI[17,18], who denied "any commercial or other relationship" with Spring Healthcare:

> According to Steward Malta president Nadine Delicata, however, Steward has no commercial or other relationship with Spring Healthcare.
>
> "We became aware that we were listed on the company's website as a partner last year and demanded in writing that they remove us from the relevant pages, an action the company has not undertaken. We will continue to seek this correction through another cease-and-desist request," Delicata claimed.

Figure 14 – Accutor Swiss Banking Records

[15] https://timesofmalta.com/articles/view/man-behind-suspect-joseph-muscat-payments-facing-fraud-claims.984953
[16] https://www.occrp.org/en/coronavirus/uncertain-diagnosis-the-murky-global-market-for-coronavirus-antibody-tests
[17] https://web.archive.org/web/20220120050239/https://springhealthcare.org/our-partners/
[18] https://timesofmalta.com/articles/view/steward-distances-firm-linked-joseph-muscat-kickbacks.985760

Tacet Global's investigations have found that this is a complete lie. Spring Healthcare and SHCI signed joint MOUs with the United Nations World Tourism Organization to work together to promote sustainable health tourism in Malta. They are pictured together.

Figure 15 – UNWTO Tweet – Nov 9, 2019[19]

In the tweet's images, viewers will find Wasay Bhatti in the room with SHCI representatives. Hilariously, these representatives are none other than **Asad Ali and Shaukat Ali**, who founded VGH and were recipients of various disbursements from Accutor relating to the sale of VGH.

We remind readers that Shaukat Ali's son, Asad Ali, was listed as "Business Development Director" in SHCI's "senior management team" website page, well into MPW's ownership of SHCI.

SHCI removed Asad Ali from the page when the VGH scandal broke, and changed the URL of the senior management page in a failed attempt to prevent wayback searches.

Figure 16 – Steward Health Care International Senior Management page

[19] https://twitter.com/UNWTO/status/1192772688139427847

5. What's changed? Nothing

Viceroy note that, despite knowing it is playing with fire, MPW via Steward Health Care International continues to actively engage with these individuals who actively work to defraud international governments, healthcare providers, and investors.

Whistleblowers have advised that SHCI's Saudi Arabia project is being spearheaded by none other than Shaukat Ali Chaudry, who has allegedly brokered the deal alongside Accutor AG grifter: Dr Wasay Bhatti. This will no-doubt go to shit, and we will provide a copy of this report to Saudi Arabian regulators for their perusal.

Figure 17 – SHCI Website – "Middle East"

Throughout our investigation into SHCI, it has maintained that it has no relationships and is not owned by MPW or SHCS. This is the biggest lie of all. We reiterate the following:

- MPW and Steward CEO Ralph De La Torre created a consortium to purchase all of Stewards Health Care Systems' international assets and future international pipeline, creating Steward Health Care International.
    - The Steward Health Care International umbrella falls under Steward Health Care International SA, registered in Spain.
    - Steward Health Care International SA is owned by the Manolete group of entities in the USA, whose beneficiaries are Ralph De La Torre and MPW. We understand SHCI CEO Amin Ernst may also hold a minority interest.
- SHCI, vis a vis Manolete, adamantly denies any connection to MPW.
    - MPW is written into SHCI subsidiary by-laws as a member of the Manolete group on entities.
    - Texas local franchise filings show MPW is a shareholder of Manolete.
    - MPW has a subsidiary listed in its annual report with the Manolete name.
    - MPW literally announced that it paid $200m for a 49% equity stake in Steward's international business. The cash left the business.
- Steward Health Care Systems, MPW's largest customer, made potentially tens of millions of dollars in disbursements through Accutor AG.
    - The nature of these payments constitute bribes or quid pro quos.
    - SHCS and SHCI appear to continue doing business with the con-men behind Accutor, VGH, etc.
    - SHCI was found to have fraudulently obtained its hospital concession in Malta.
    - SHCI's parent companies share SHCS's office to this day.

It is ludicrous to trust MPW and SHCS management with hospital operations and hospital developments, let alone trust them to manage your investment.

Attention: Whistleblowers

Viceroy encourage any parties with information pertaining to misconduct within Medical Properties Trust, its affiliates, or any other entity to file a report with the appropriate regulatory body.

We also understand first-hand the retaliation whistleblowers sometimes face for championing these issues. Where possible, Viceroy is happy act as intermediaries in providing information to regulators and reporting information in the public interest in order to protect the identities of whistleblowers.

You can contact the Viceroy team via email on viceroy@viceroyresearch.com.

About Viceroy

Viceroy Research are an investigative financial research group. As global markets become increasingly opaque and complex – and traditional gatekeepers and safeguards often compromised – investors and shareholders are at greater risk than ever of being misled or uninformed by public companies and their promoters and sponsors. Our mission is to sift fact from fiction and encourage greater management accountability through transparency in reporting and disclosure by public companies and overall improve the quality of global capital markets.

Important Disclaimer – Please read before continuing

This report has been prepared for educational purposes only and expresses our opinions. This report and any statements made in connection with it are the authors' opinions, which have been based upon publicly available facts, field research, information, and analysis through our due diligence process, and are not statements of fact. All expressions of opinion are subject to change without notice, and we do not undertake to update or supplement any reports or any of the information, analysis and opinion contained in them. We believe that the publication of our opinions about public companies that we research is in the public interest. We are entitled to our opinions and to the right to express such opinions in a public forum. You can access any information or evidence cited in this report or that we relied on to write this report from information in the public domain.

To the best of our ability and belief, all information contained herein is accurate and reliable, and has been obtained from public sources we believe to be accurate and reliable, and who are not insiders or connected persons of the stock covered herein or who may otherwise owe any fiduciary duty or duty of confidentiality to the issuer. We have a good-faith belief in everything we write; however, all such information is presented "as is," without warranty of any kind – whether express or implied.

In no event will we be liable for any direct or indirect trading losses caused by any information available on this report. Think critically about our opinions and do your own research and analysis before making any investment decisions. We are not registered as an investment advisor in any jurisdiction. By downloading, reading or otherwise using this report, you agree to do your own research and due diligence before making any investment decision with respect to securities discussed herein, and by doing so, you represent to us that you have sufficient investment sophistication to critically assess the information, analysis and opinions in this report. You should seek the advice of a security professional regarding your stock transactions.

This document or any information herein should not be interpreted as an offer, a solicitation of an offer, invitation, marketing of services or products, advertisement, inducement, or representation of any kind, nor as investment advice or a recommendation to buy or sell any investment products or to make any type of investment, or as an opinion on the merits or otherwise of any particular investment or investment strategy.

Any examples or interpretations of investments and investment strategies or trade ideas are intended for illustrative and educational purposes only and are not indicative of the historical or future performance or the chances of success of any particular investment and/or strategy. As of the publication date of this report, you should assume that the authors have a direct or indirect interest/position in all stocks (and/or options, swaps, and other derivative securities related to the stock) and bonds covered herein, and therefore stand to realize monetary gains in the event that the price of either declines.

The authors may continue transacting directly and/or indirectly in the securities of issuers covered on this report for an indefinite period and may be long, short, or neutral at any time hereafter regardless of their initial recommendation.

MARCH 10, 2023 REPORT

MPW **Case Study**- Macquarie

MPW raises debt off balance sheet, disguising borrowings as asset sales and recording false gains on transactions.

PLEASE READ IMPORTANT DISCLAIMER – PAGE 3

March 10, 2023 – On March 16, 2022 MPW completed a partnership with Macquarie Asset Management (MAM). MPW contributed assets worth $1.1b to the joint venture in exchange for an undisclosed cash payment. The joint venture would then raise secured nonrecourse debt with the proceeds going to MPW.

2022 Activity

Macquarie Transaction

On March 14, 2022, we completed a transaction with Macquarie Asset Management ("MAM") to form a partnership (the "Macquarie Transaction"), pursuant to which we contributed eight Massachusetts-based general acute care hospitals that are leased to Steward Health Care System LLC ("Steward") and a fund managed by MAM has acquired, for cash consideration, a 50% interest in the partnership. The transaction valued the portfolio at approximately $1.7 billion, and we recognized a gain on real estate of approximately $600 million from this transaction, partially offset by the write-off of unbilled straight-line rent receivables. The partnership raised nonrecourse secured debt of 55% of asset value, and we received proceeds, including from the secured debt, of approximately $1.3 billion, virtually all of which was used to repay debt. We obtained a 50% interest in the real estate partnership valued at approximately $400 million (included in the "Investments in unconsolidated real estate joint ventures" line of the condensed consolidated balance sheets), which is being accounted for under the equity method of accounting.

Figure 1 – MPW Q1 2022 10-Q

MPW was noticeably light on details, not publishing the joint venture agreement, lending parties, terms or assets involved. A closer look at the transaction shows that this "sale" to MPW's off-balance sheet JV was substantially financed by borrowings, which are also moved off balance sheet. This transaction was designed to disguise MPW's true debt, and provided short term liquidity to cover MPW dividend payments.

- According to MPW the joint venture would "raise nonrecourse secured debt of up to 55% of asset value, and we expect to receive total proceeds, including proceeds from the expected secured debt, of approximately $1.3 billion.".
- Mortgage records show that the joint venture secured a mortgage of $919m from a consortium of Apollo, Athene, and Aspen, implying MAM's cash payment was ~$400m. We believe it is this debt transaction, not MAM's payment, that the $1.78b valuation is based on.

WITNESSETH:

A. This Mortgage is given to secure a loan (the "***Loan***") in the principal sum of NINE HUNDRED NINETEEN MILLION FIFTY THOUSAND AND NO/100 DOLLARS ($919,050,000.00) or so much thereof as may be advanced pursuant to that certain Loan Agreement dated as of the date hereof by and among Mortgagor and certain affiliates of Mortgagor (collectively, "***Co-Borrowers***", and together with Mortgagor, collectively, "***Borrower***"), Mortgagee and ACREFI, in its capacity as directing lender for the benefit of the Mortgagee (in such capacity, together with its successors and/or assigns, "***Directing Lender***") (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, the "***Loan Agreement***"), and evidenced by that certain Note (as such term is defined in the Loan Agreement). Capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Loan Agreement.

Figure 2 – MPW Massachusetts Mortgage – Suffolk County Registry of Deeds[1]

- MPW recorded a gross gain on sale of $600m, offset by $125m of uncollected and unbilled straight-line receivables. This transaction also served to move uncollectable straight-line revenue off-balance sheet.

R. Steven Hamner
Founder, Executive VP, CFO & Director

Thank you, Ed. This morning, we reported as widely expected, normalized FFO of $0.47 per diluted share. There is only one, albeit large, adjustment that I want to point out. We reported a net gain on sale of real estate and other of about $452 million. The gross amount of gains included approximately $600 million related to our sale of 8 Steward facilities to the Macquarie joint venture, but we offset that with the accounting rules required write-off of about $125 million in unbilled straight-line rent.

Figure 3 – MPW Q1 2022 Earnings Call Transcript

[1] Visit https://www.masslandrecords.com/Suffolk/ and search for "MPT of Dorchester"

Deep dive on the assets

- MPW's press release states that the properties accounted for "collected cash rent and interest of more than $475 million over the course of five-plus years" or ~$95m per year[2], before loan service costs.

> MPT's investment basis of roughly $1.2 billion, the approximate $600 million gain on real estate, and collected cash rent and interest of more than $475 million over the course of five-plus years combine to calculate an approximate unlevered internal rate of return of roughly 14%. "At MPT, we have long understood the embedded value in our entire portfolio as well as the proficiency of operators such as Steward. The closing of this transaction provides independent confirmation of the value that sophisticated investors and lenders also attribute to well-underwritten hospital investments," said Edward K. Aldag, Jr., MPT's Chairman, President, and Chief Executive Officer.

Figure 4 – Medical Properties Trust Completes Hospital Partnership With Macquarie Asset Management

- We believe ownership dilution transaction and the ensuing debt structure will cut MPW's earnings on the portfolio to ~$25m a year, a ~73% decrease.
- These hospitals are the Morton, Nashoba Valley, Carney, Good Samaritan, Holy Family, Holy family – Haverhill, St Anne and St Elizabeth hospitals leased to Steward. Based on CHIAMass records we strongly doubt that this loss of revenue can be compensated for through increased rent, with the majority showing poor financial performance[3].

Massachusetts Hospitals Analysis - Viceroy Research

Name	Operating Margin						
	Q1 2021	Q1 - Q2 2021	Q1 - Q3 2021	FY 2021	Q1 2022	Q1 - Q2 2022	Q1 - Q3 2022
Morton Hospital	(25.4%)	(15.5%)	(11.8%)	(4.1%)	(19.7%)	(6.9%)	(1.7%)
Nashoba Valley Medical Center	(29.0%)	(18.1%)	(15.6%)	(9.3%)	(17.5%)	(3.8%)	(6.0%)
Carney Hospital	(43.5%)	(40.9%)	(49.6%)	(20.8%)	(27.0%)	(30.2%)	(30.8%)
Good Samaritan Medical Center	0.7%	5.0%	4.8%	6.2%	(0.8%)	8.1%	6.6%
Holy Family Hospital	(5.9%)	1.8%	1.4%	4.1%	(8.5%)	1.1%	(1.9%)
St Anne's Hospital	12.5%	15.8%	15.3%	11.4%	6.2%	15.1%	12.6%
St Elizabeth's Medical Center	(1.3%)	1.6%	3.4%	1.4%	(9.8%)	(1.0%)	(2.0%)
Holy Family Hospital - Haverhill				No data			

Figure 5 – CHIAMass Acute Hospital and Health System Financial Performance

  - Also absent from the transaction is the Steward Norwood hospital which was "temporarily" closed since July 2020 due to flooding and remains closed today according to Steward's website[4,5].

Note: There is no CHIAMass data on Holy Family Hospital – Haverhill. FY 2022 data is not yet available.

Key Takeaways

The irony of MPW selling hospitals (occupied by Steward) for short-term liquidity is not lost on us.

Put simply, MPW effectively sold yielding assets for short term liquidity and drew down massive amounts of debt off balance sheet. Investors should push MPW to publish the full joint venture agreement between the parties as well as terms of the loan entered into by the JV.

[2] https://www.businesswire.com/news/home/20220315006306/en/CORRECTING-and-REPLACING-Medical-Properties-Trust-Completes-Hospital-Partnership-With-Macquarie-Asset-Management
[3] https://www.chiamass.gov/hospital-financial-performance/
[4] https://web.archive.org/web/20200808231123/https://www.norwood-hospital.org/newsroom/2020-07-02/statement-norwood-hospital
[5] https://www.norwood-hospital.org/

Attention: <u>Whistleblowers</u>

Viceroy encourage any parties with information pertaining to misconduct within Medical Properties Trust, its affiliates, or any other entity to file a report with the appropriate regulatory body.

We also understand first-hand the retaliation whistleblowers sometimes face for championing these issues. Where possible, Viceroy is happy act as intermediaries in providing information to regulators and reporting information in the public interest in order to protect the identities of whistleblowers.

You can contact the Viceroy team via email on viceroy@viceroyresearch.com.

About Viceroy

Viceroy Research are an investigative financial research group. As global markets become increasingly opaque and complex – and traditional gatekeepers and safeguards often compromised – investors and shareholders are at greater risk than ever of being misled or uninformed by public companies and their promoters and sponsors. Our mission is to sift fact from fiction and encourage greater management accountability through transparency in reporting and disclosure by public companies and overall improve the quality of global capital markets.

Important Disclaimer – Please read before continuing

This report has been prepared for educational purposes only and expresses our opinions. This report and any statements made in connection with it are the authors' opinions, which have been based upon publicly available facts, field research, information, and analysis through our due diligence process, and are not statements of fact. All expressions of opinion are subject to change without notice, and we do not undertake to update or supplement any reports or any of the information, analysis and opinion contained in them. We believe that the publication of our opinions about public companies that we research is in the public interest. We are entitled to our opinions and to the right to express such opinions in a public forum. You can access any information or evidence cited in this report or that we relied on to write this report from information in the public domain.

To the best of our ability and belief, all information contained herein is accurate and reliable, and has been obtained from public sources we believe to be accurate and reliable, and who are not insiders or connected persons of the stock covered herein or who may otherwise owe any fiduciary duty or duty of confidentiality to the issuer. We have a good-faith belief in everything we write; however, all such information is presented "as is," without warranty of any kind – whether express or implied.

In no event will we be liable for any direct or indirect trading losses caused by any information available on this report. Think critically about our opinions and do your own research and analysis before making any investment decisions. We are not registered as an investment advisor in any jurisdiction. By downloading, reading or otherwise using this report, you agree to do your own research and due diligence before making any investment decision with respect to securities discussed herein, and by doing so, you represent to us that you have sufficient investment sophistication to critically assess the information, analysis and opinions in this report. You should seek the advice of a security professional regarding your stock transactions.

This document or any information herein should not be interpreted as an offer, a solicitation of an offer, invitation, marketing of services or products, advertisement, inducement, or representation of any kind, nor as investment advice or a recommendation to buy or sell any investment products or to make any type of investment, or as an opinion on the merits or otherwise of any particular investment or investment strategy.

Any examples or interpretations of investments and investment strategies or trade ideas are intended for illustrative and educational purposes only and are not indicative of the historical or future performance or the chances of success of any particular investment and/or strategy. As of the publication date of this report, you should assume that the authors have a direct or indirect interest/position in all stocks (and/or options, swaps, and other derivative securities related to the stock) and bonds covered herein, and therefore stand to realize monetary gains in the event that the price of either declines.

The authors may continue transacting directly and/or indirectly in the securities of issuers covered on this report for an indefinite period and may be long, short, or neutral at any time hereafter regardless of their initial recommendation.

MARCH 17, 2023 REPORT

MPW Annual Report 2022 Analysis

More tenant financing, more issues at Steward and shoddy tenant disclosures, just another day at MPW

PLEASE READ IMPORTANT DISCLAIMER – PAGE 6

March 17, 2023 – On March 1, 2023 MPW released its annual report for 2022. Viceroy's analysis shows similar red flags to those raised in our Q4 2022 analysis. This report will go through those issues as well as further developments. We reiterate our belief that MPW's tenant base is in significant financial distress and the company is seriously exposed to tenant failures.

Without further ado, lets see how bad things have gotten.

Steward's tab keeps growing

MPW just keeps on giving…to Steward. MPW's accounting practices around these sorts of tenant loans appears to have undergone a major change.

- The company's promissory note loan to Steward has increased to $220m in five tranches from $44m in three tranches 2021.

In addition to the master leases, we hold a promissory note totaling approximately $220 million, which consists of five tranches with varying terms. On January 8, 2021, we made a $335 million loan to affiliates of Steward, the terms of which provide us opportunities for participation in the value of Steward's growth. All of the proceeds from this loan were paid to Steward's former private equity sponsor to redeem a similarly sized convertible loan. Finally, we hold a 9.9% equity investment in Steward totaling approximately $126 million.

Figure 1 – MPW 2022 10-K

- MPW appears to have changed its accounting treatment to combine its "equity investments" and "other loans and assets" into a new "investments in unconsolidated operating entities" line item. This includes MPW's $335m promissory note to Steward, the proceeds of which were used to buy out Steward's private equity sponsors.

	2021	2020	2019
Land and land improvements	$ 642,312	$ 365,281	$ 400,539
Buildings	2,381,654	2,547,313	1,951,066
Intangible lease assets — subject to amortization (weighted-average useful life of 34.5 years in 2021, 27.5 years in 2020, and 19.1 years in 2019)	262,385	642,699	227,468
Investment in financing leases	—	114,797	1,386,797
Equity investments	123,427	233,593	415,836
Mortgage loans	1,113,300	176,840	51,267
Other loans and assets	909,669	309,523	135,258
Liabilities assumed	(82,508)	(140,866)	(2,637)
	$ 5,350,239	$ 4,249,180	$ 4,565,594
Loans repaid(1)	(1,103,410)	(834,743)	—
Total net assets acquired	$ 4,246,829	$ 3,414,437	$ 4,565,594

	2022	2021	2020
Land and land improvements	$ 135,301	$ 642,312	$ 365,281
Buildings	487,698	2,381,654	2,547,313
Intangible lease assets — subject to amortization (weighted-average useful life of 21.3 years in 2022, 34.5 years in 2021, and 27.5 years in 2020)	45,394	262,385	642,699
Investment in financing leases	—	—	114,797
Mortgage loans(1)(2)	159,735	1,113,300	176,840
Investments in unconsolidated real estate joint ventures	399,456	—	233,593
Investments in unconsolidated operating entities	131,105	1,033,096	205,000
Other loans	—	—	103,195
Other assets	—	—	1,328
Liabilities assumed	(25,727)	(82,508)	(140,866)
	$ 1,332,962	$ 5,350,239	$ 4,249,180
Loans repaid(1)	—	(1,103,410)	(834,743)
Total net assets acquired	$ 1,332,962	$ 4,246,829	$ 3,414,437

Figures 2 & 3 – MPW 2021 10-K and 2022 10-K

- MPW has not marked down its investment in its Maltese international joint venture with Steward despite multiple public issues around this concession. Recently a Maltese court has revoked the joint

venture's concession and ordered the hospitals returned to the state and opined that Steward Health Care International fraudulently obtained the concession.

Operator		As of December 31, 2022		As of December 31, 2021
Steward (loan investment)	$	362,831	$	360,164
International joint venture		231,402		219,387
Springstone		200,827		187,450
Priory		156,575		42,315
Swiss Medical Network		157,145		159,208
Steward (equity investment)		125,862		139,000
Prospect		112,777		112,283
Aevis Victoria SA ("Aevis")		72,904		61,271
Aspris Children's Services ("Aspris")		16,023		8,356
Caremax		8,526		—
Total	$	1,444,872	$	1,289,434

Figure 4 – MPW 2022 10-K

More Steward financial trouble

On March 1, 2023, Steward announced it would close the Texas Vista Medical Center (TVMC) on May 1, 2023. It laid blame for the impending closure at the feet of UHS and Bexar County claiming it had put forward a proposal for UHS and Bexar County to take over operations.

> SAN ANTONIO--(BUSINESS WIRE)--Steward Health Care today announced its decision to close Texas Vista Medical Center (TVMC) effective May 1, 2023. On limited resources, TVMC supports limited-income, high-needs patient populations. Nearly one quarter of the hospital's patients cannot and do not pay for the services the hospital provides. Additionally, over half of TVMC patients are government pay patients, which means the hospital is paid less than the cost of patient care. Steward has put forth a proposal for University Health System (UHS) and Bexar County to take over control of TVMC, but UHS and Bexar County have not accepted our offer.

Figure 5 – Texas Vista Medical Center to Close Barring Take Over or Significant Government Relief[1]

The same day UHS published their response which declined to go into specifics but stated that Steward's takeover terms were not mutually acceptable and that MPW was an obstacle their takeover of the operations. Steward's press release made no mention of MPW.

> While we are not able to release any details of conversations or analysis, it has become increasingly clear that our mission and values are not aligned with Medical Properties Trust, the real estate investment trust (REIT), which owns the assets of Texas Vista Medical Center and collects lease payments from Steward Health, who operates the hospital.

Figure 6 – University Health Response to Steward Health March 1, 2023, News Release[2]

On March 4, 2023, Texas Public Radio published an article concerning Steward effectively threatening to shut down the facility due to financial hardship. Steward and its "parent company" Medical Properties Trust approached Bexar County to ask for a bailout stating it needed ~$5m to $10m to continue operating.

> Employees of Steward Health Care, along with its parent company Medical Properties Trust, have made pleas to the public, saying the only way to save them is through a Bexar County bailout that would cost the taxpayers millions of dollars. The alternative is to leave the South Side in what one health care official called a "public-health crisis."
>
> The announcement surprised Bexar County officials. A spokesperson said they only had one Zoom meeting with Steward Health. It lasted less than an hour, during which Steward Health officials said they didn't plan to close but needed between $5 million and $10 million to stay open.

Figure 7 – Financial impropriety allegations swirl around companies behind San Antonio hospital closure[3]

We believe this points to both Steward's financial hardship and MPW's unsustainable leases and believe this series of events will continue to play out across Steward's locations.

---

[1] https://www.businesswire.com/news/home/20230301005997/en/Texas-Vista-Medical-Center%C2%A0to%C2%A0Close-Barring%C2%A0Take-Over-or-Significant-Government-Relief%C2%A0
[2] https://www.universityhealth.com/news/response-to-steward-health-news-release
[3] https://www.tpr.org/bioscience-medicine/2023-03-04/financial-impropriety-allegations-swirl-around-companies-behind-san-antonio-hospital-closure

Priory refinance

- MPW participated in a syndicated term loan facility originated on Priory's behalf by its purchaser Waterland to the tune of GBP100m. The total loan size was GBP250m. We believe this loan was used to repay MPW's acquisition loan to Waterland.

On February 16, 2022, we agreed to participate in an existing syndicated term loan with a term of six years originated on behalf of Priory. We funded £96.5 million towards a £100 million participation level, reflecting a 3.5% discount. The loan carries a variable rate that was 8.3% at December 31, 2022.

Figure 8 – MPW 2022 10-K

- MPW had previously stated that Waterland had repaid the GBP250m loan with interest on October 22, 2021, in its Q3 2021 10Q but qualifying language in its Short-term Liquidity Requirements section implied that funds had not been received by November 1, 2021.

In addition to the real estate investment, on January 19, 2021, we made a £250 million acquisition loan to Waterland VII, in connection with the closing of Waterland VII's acquisition of Priory, which was repaid in full plus interest on October 22, 2021.

Short-term Liquidity Requirements:

At November 1, 2021 and including receipt of £250 million repaid by Waterland VII pursuant to the Priory acquisition loan (as described in Note 3 to Item 1 of this Form 10-Q) subsequent to September 30, 2021 (as described in Note 12 to Item 1 of this Form 10-Q), our liquidity approximates $1.0 billion. We believe this liquidity along with our current monthly c distributions from our joint venture arrangements, approximately $250 million of availability under our at-the-market equity program, and expected cash proceeds from the Macquarie Tran

Figures 9 & 10 – MPW Q3 2021 10-Q

- The following Short-term Liquidity Requirement section had no qualifying language and is dated February 18, 2022, 2 days after MPW's participation in the syndicated term loan.

Short-term Liquidity Requirements:

As of February 18, 2022, our liquidity approximates $1.0 billion. We believe this liquidity along with our current monthly cash receipts from rent and loan interest, regular distributions from our joint venture arrangements, and expected cash proceeds from the Macquarie Transaction of approximately $1.3 billion (as described in Note 3 to Item 8 of this Annual Report on Form 10-K) is sufficient to fund our operations, dividends in order to comply with

Figure 11 – MPW 2021 10-K

- S&P states that the proceeds were used to refinance a bridge loan to Waterland relating to its acquisition of Priory ultimately funded by MPW. Strangely the size of the Sterling loan is the same as the acquisition loan MPW made to Median, GBP250m.

The facility is part of a financing that supported Waterland's refinancing of the combined capital structure of Median and Priory Group and acquisition of the group by the private equity firm's continuation fund. The deal also included a €500 million facility that priced at E+500 with a 0% floor offered at 97 in November 2021. The entire financing was first shown on a lender call in September 2021, with the sterling piece guided at S+575-600. Syndication was then postponed in early October.

Figure 12 – Median prices £250M loan for refinancing and acquisition; terms[4]

- As noted above, the syndication was postponed in early October 2021 due to the airing of a BBC documentary about Priory's business[5]. We believe this postponement was covered up by MPW and that funds were not received until February 18, 2022, and further that MPW's participation was due to slack demand in Priory's debt offering.

[4] https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/median-prices-163-250m-loan-for-refinancing-and-acquisition-terms-68961202

[5] https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/median-priory-wraps-8364-500m-term-loan-67456916

Prospect and others

- Prospect's $112m term loan originally due July 2022 has clearly not been paid off. Originally this was to be redeemed in exchange for Prospect's Rhode Island Hospitals which has been blocked by the Rhode Island Attorney General.
- The increase in MPW's Q2 2022 mortgage loan on Prospect's California hospital was revealed to be a $100m increase to the $51.3m advanced in 2019. According to the Rhode Island Attorney General this California hospital and the Rhode Island Hospitals are all the property Prospect has left.

> **Our expert: "PMH has sold substantially all its real property except for [one California hospital] and the Rhode Island properties. There is very little leverage to provide liquidity."** *Carris Report, p.9*

Figure 13 – Decision in Propect Medical Holdings HCA Review: Rhode Island AG

- The credit loss recovery from Pajaro's acquisition of Watsonville community hospital has changed from 20m in Q3 2022 to 15m in Q4 2022. No explanation is given for this change.

> approximately $32 million of the loans previously provided to the hospital. This loan repayment resulted in a credit loss recovery of approximately $20 million in the 2022 third quarter as shown in the "Other (including fair value adjustments on securities)" line of the condensed consolidated statements of net income. To date, Pajaro has been current on its monthly rental payments to us.

> of the Watsonville Community Hospital and lease the real estate from us. On August 31, 2022, Pajaro completed this purchase of the operations of the Watsonville Community Hospital. As a result of this transaction, we were repaid approximately $32 million of the loans previously provided to the hospital. This loan repayment resulted in a net credit loss recovery of approximately $15 million in 2022 and reflected in the "Real estate and other impairment charges, net" line of the consolidated statements of net income. To date, Pajaro has been current on its monthly rental payments to us.

Figures 14 & 15 – MPW Q3 2022 10-Q & MPW 2022 10-K

Tenant distribution

MPW also significantly changed how it calculates its assets and revenues by operator and geography moving from "Adjusted gross assets and revenues" to the GAAP-compliant "Total Assets and Revenues".

MPW states that these changes were made to comply with SEC non-GAAP measurement guide in December 2022 that stated that "non-GAAP measurements must be presented with related GAAP measures in equal prominence". The company then failed to publish any way to reconcile the numbers between the new GAAP and previous non-GAAP measurements until pressed by analysts on its earnings call.

We believe it is this passage specifically that forced the change in presentation.

> **Question:** Can a non-GAAP measure be misleading if it, and/or any adjustment made to the GAAP measure, is not appropriately labeled and clearly described?
>
> **Answer:** Yes. Non-GAAP measures are not always consistent across, or comparable with, non-GAAP measures disclosed by other companies. Without an appropriate label and clear description, a non-GAAP measure and/or any adjustment made to arrive at that measure could be misleading to investors. The following examples would violate Rule 100(b) of Regulation G:
>
> - Failure to identify and describe a measure as non-GAAP.
> - Presenting a non-GAAP measure with a label that does not reflect the nature of the non-GAAP measure, such as:
>   - a contribution margin that is calculated as GAAP revenue less certain expenses, labeled "net revenue";
>   - non-GAAP measure labeled the same as a GAAP line item or subtotal even though it is calculated differently than the similarly labeled GAAP measure, such as "Gross Profit" or "Sales"; and
>   - a non-GAAP measure labeled "pro forma" that is not calculated in a manner consistent with the pro forma requirements in Article 11 of Regulation S-X. [December 13, 2022]

Figure 16 – SEC.gov Non-GAAP Financial Measures

What is clear is that MPW's previous disclosures took significant liberties to artificially reduce exposure and inflate revenue per customer.

- For some reason, MPW counts its own cash and other assets in the "other" segment diluting the operator level exposure. Previously this was not noticeable as the total asset count did not match the balance sheet. We believe these assets should be excluded.
- MPW previously included a pro-rata share of GAAP revenue from its unconsolidated real estate JVs in addition to interest on its loan investments which runs contrary to their supposed lack of consolidation.
    - This explains, we believe, the ~$30m of revenue that evaporated in the Steward Massachusetts and Swiss Medical Network line items.
    - Q4 2022 revenues from Steward's Massachusetts network fell from $23.3m to $6.5m. This corroborates Viceroy's previous analysis on the Macquarie deal.
    - Q4 2022 revenues from Swiss Medical Network fell from $11.8m to an undisclosed amount.
- MPW appear to aggressively recognize changes in their customer mix ahead of time. The company previously included:
    - The sale of Prospect's Connecticut hospitals despite management stating this transaction would close in 12-18 months as of March 2023.
    - The purchase of Springstone by Lifepoint which only concluded in February 2023. USD14m of revenue seems to have evaporated from this change. We question how MPW planned to explain $14m of revenue from an entity not yet a tenant.

These changes show how MPW previously used non-GAAP measurements to manipulate its distribution away from its riskier customers. Steward's percentage of assets jumps from 19.8% to 24.2% in the new GAAP measurement.

GAAP vs Non-GAAP analysis - Viceroy Research	GAAP method				Non GAAP			
	Total Assets	% of assets	Q4 2022 revenues	% of revenues	Total Assets	% of assets	Q4 2022 revenues	% of revenues
Steward Health Care	4,762,673	24.2%	99,399	26.1%	4,199,541	19.8%	116,289	27.3%
Circle Health	2,062,474	10.5%	45,282	11.9%	2,211,306	10.4%	45,282	10.6%
Lifepoint					1,407,706	6.6%	14,104	3.3%
Swiss Medical Network					1,348,920	6.4%	11,816	2.8%
Prospect Medical Holdings	1,483,599	7.5%	43,781	11.5%	1,184,772	5.6%	43,781	10.3%
Priory Group	1,290,213	6.6%	20,151	5.3%	1,317,110	6.2%	20,151	4.7%
Springstone	985,959	5.0%	21,930	5.8%	-	0.0%	21,930	5.1%
Other operators	7,461,923	38.0%	149,943	39.4%	8,290,210	39.0%	153,157	35.9%
Other assets	1,611,159	8.2%	0	0.0%	1,280,792	6.0%	-	0.0%
Total	**19,658,000**	**100%**	**380,486**	**100%**	**21,240,357**	**100%**	**426,510**	**100%**

Figure 17 – GAAP vs Non-GAAP analysis - Viceroy Research

More shockingly, this GAAP adjustment means MPW appears to have found 3 hospitals in a presumably uninhabited state somewhere in the US.

GAAP vs Non-GAAP analysis - Viceroy Research	GAAP method					Non GAAP				
Location	Number of facilities	Total Assets	% total assets	Q4 2022 revenues	% Q4 2022 revenues	Number of facilities	Total Assets	% total assets	Q4 2022 revenues	% Q4 2022 revenues
Texas	52	1,967,948	10.0%	41,625	11%	52	2,005,798	9.4%	41,625	10%
California	20	1,450,112	7.4%	41,313	11%	20	1,488,203	7.0%	41,313	10%
Florida	9	1,324,555	6.7%	25,466	7%	9	1,410,907	6.6%	25,466	6%
Utah	7	1,224,484	6.2%	34,714	9%	7	925,932	4.4%	34,714	8%
Massachusetts	10	761,694	3.9%	6,662	2%	10	1,262,683	5.9%	23,552	6%
Other States	122	4,245,306	21.6%	120,418	32%	119	4,227,575	19.9%	120,418	28%
Other	-	1,028,946	5.2%	0	0%	0	876,663	4.1%	-	0%
United States	**220**	**12003045**	**61.1%**	**270,198**	**71%**	**217**	**12,197,761**	**57.4%**	**287,088**	**67%**
United Kingdom	87	4,083,244	20.8%	77,502	20%	87	4,308,233	20.3%	77,502	18%
Australia	11	854,582	4.3%	14,157	4%	11	924,579	4.3%	14,157	3%
Switzerland	17	748,947	3.8%	868	0%	17	1,348,920	6.3%	11,816	3%
Germany	82	664,900	3.4%	8,040	2%	82	1,200,212	5.6%	22,747	5%
Spain	9	222,316	1.1%	1,919	1%	9	355,176	1.7%	3,508	1%
Other Countries	18	498,753	2.5%	7,802	2%	18	521,347	2.5%	9,692	2%
Other	-	582,213	3.0%	0	0%	0	404,309	1.9%	-	0%
International	**224**	**7654955**	**38.9%**	**110,288**	**29%**	**224**	**9,062,776**	**42.6%**	**139,422**	**32.7%**
Total	**444**	**19658000**	**100.0%**	**380,486**	**100%**	**441**	**21,260,537**	**100.0%**	**426,510**	**100%**

Figure 18 – GAAP vs Non-GAAP analysis - Viceroy Research

Its telling that it took official SEC changes for MPW to update their figures to something actually useful and representative of their business.

Attention: Whistleblowers

Viceroy encourage any parties with information pertaining to misconduct within Medical Properties Trust, its affiliates, or any other entity to file a report with the appropriate regulatory body.

We also understand first-hand the retaliation whistleblowers sometimes face for championing these issues. Where possible, Viceroy is happy act as intermediaries in providing information to regulators and reporting information in the public interest in order to protect the identities of whistleblowers.

You can contact the Viceroy team via email on viceroy@viceroyresearch.com.

About Viceroy

Viceroy Research are an investigative financial research group. As global markets become increasingly opaque and complex – and traditional gatekeepers and safeguards often compromised – investors and shareholders are at greater risk than ever of being misled or uninformed by public companies and their promoters and sponsors. Our mission is to sift fact from fiction and encourage greater management accountability through transparency in reporting and disclosure by public companies and overall improve the quality of global capital markets.

Important Disclaimer – Please read before continuing

This report has been prepared for educational purposes only and expresses our opinions. This report and any statements made in connection with it are the authors' opinions, which have been based upon publicly available facts, field research, information, and analysis through our due diligence process, and are not statements of fact. All expressions of opinion are subject to change without notice, and we do not undertake to update or supplement any reports or any of the information, analysis and opinion contained in them. We believe that the publication of our opinions about public companies that we research is in the public interest. We are entitled to our opinions and to the right to express such opinions in a public forum. You can access any information or evidence cited in this report or that we relied on to write this report from information in the public domain.

To the best of our ability and belief, all information contained herein is accurate and reliable, and has been obtained from public sources we believe to be accurate and reliable, and who are not insiders or connected persons of the stock covered herein or who may otherwise owe any fiduciary duty or duty of confidentiality to the issuer. We have a good-faith belief in everything we write; however, all such information is presented "as is," without warranty of any kind – whether express or implied.

In no event will we be liable for any direct or indirect trading losses caused by any information available on this report. Think critically about our opinions and do your own research and analysis before making any investment decisions. We are not registered as an investment advisor in any jurisdiction. By downloading, reading or otherwise using this report, you agree to do your own research and due diligence before making any investment decision with respect to securities discussed herein, and by doing so, you represent to us that you have sufficient investment sophistication to critically assess the information, analysis and opinions in this report. You should seek the advice of a security professional regarding your stock transactions.

This document or any information herein should not be interpreted as an offer, a solicitation of an offer, invitation, marketing of services or products, advertisement, inducement, or representation of any kind, nor as investment advice or a recommendation to buy or sell any investment products or to make any type of investment, or as an opinion on the merits or otherwise of any particular investment or investment strategy.

Any examples or interpretations of investments and investment strategies or trade ideas are intended for illustrative and educational purposes only and are not indicative of the historical or future performance or the chances of success of any particular investment and/or strategy. As of the publication date of this report, you should assume that the authors have a direct or indirect interest/position in all stocks (and/or options, swaps, and other derivative securities related to the stock) and bonds covered herein, and therefore stand to realize monetary gains in the event that the price of either declines.

The authors may continue transacting directly and/or indirectly in the securities of issuers covered on this report for an indefinite period and may be long, short, or neutral at any time hereafter regardless of their initial recommendation.